



Oskar Lafontaine, finance minister and Social Democratic leader, who quit after a cabinet showdown with Chancellor Gerhard Schröder.

## German Finance Minister Resigns

### Lafontaine Departs in Tense Political Showdown With Schröder

By William Drozdiak  
Washington Post Service

BERLIN — Oskar Lafontaine resigned from his posts as finance minister and party leader of the governing Social Democrats on Thursday after losing a power struggle that had caused disarray in the ranks of Chancellor Gerhard Schröder's government for five months.

The surprise decision came in the wake of a bitter showdown between Mr. Schröder and Mr. Lafontaine at a cabinet meeting Wednesday in which the chancellor accused his rival of committing "strategic errors" by alienating many German business leaders with his leftist economic policies.

In a terse statement on Thursday night that scarcely concealed the tensions between the two political rivals, Mr. Schröder expressed cut thanks for Mr. Lafontaine's work and announced that the Social Democratic presidium would hold a special session

Friday to choose its next chairman.

Senior aides said Mr. Schröder would put his own name forward as the new party leader, which should help him consolidate power in a bid to shift toward a more pragmatic and moderate course for his government.

As a sign of his intentions, officials said Mr.

Until Thursday, the German government had been an unwieldy two-headed creature. Page 6.

Schröder would most likely name Hans Eichel, a pro-business Social Democrat, to the Finance Ministry post.

Mr. Lafontaine's demise was welcomed on financial and stock markets as investors anticipated more favorable policies. The euro, which will soon replace the German mark and 10 other European currencies, rose Thursday after having lost one-tenth of its value

against the dollar since January, largely because of worries about the fate of the German economy.

While Mr. Schröder appeared to be stunned by Mr. Lafontaine's departure, political sources said he was elated by the opportunity to resolve a persistent split in his government that has sown confusion over the true nature of Germany's leadership and its policies.

Although the chancellor may have won the power battle with his arch-enemy within the party, he will no longer be able to exploit Mr. Lafontaine as a lightning rod for criticism. Aides said Mr. Schröder realizes that he will now be held fully accountable — by his party and by German voters — for the fate of his government policies.

But his long-standing promises to modernize Germany's economy and create new jobs for a labor force where more than 11 percent of all workers are now unemployed will remain difficult challenges to

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## A Historic Day for European Geopolitics

### NATO Awaits 3 States From Ex-Soviet Bloc

By Steven Erlanger  
New York Times Service

WARSAW — Poland, Hungary and the Czech Republic will formally join NATO on Friday, having barely met the alliance's minimum military requirements for integrated air defense, security procedures and foreign language training.

But few doubt that they will bring real military benefits to the alliance over the next 5 to 10 years, as they make the slow shift from heavily armored and over-officered Warsaw Pact forces to more mobile, flexible and smaller Western armies.

They are already contributing with peacekeepers, logistics and intelligence to NATO's complicated efforts to pacify the Balkans.

By their history and geography, these new members will help to protect and even spread Western values of democracy and market economics in the shakier, frostier states between themselves and Russia's vast uncertainties.

They are, however, also eager to consolidate these same values at home, both to build up their own sense of confidence and that of foreign investors. It is not just three militaries that are joining NATO, but three states, whose leaders all welcome the moral standard NATO provides for their transitional and still turbulent post-Communist societies.

In a direct benefit for the United States, which pushed their membership the hardest, these new members will also provide strong support for Washington's aims inside NATO, officials of all three countries suggest.

Six weeks before NATO's 50th anniversary

summit in Washington — where the Champagne and the rhetoric will flow in equally excessive quantities — NATO members are arguing about the alliance's future in a world where the threats to European security stem more from terrorism and instability, both ethnic and political, as in Kosovo, than from any traditional adversary, like Russia.

But for all three countries — and especially Poland, intermittently trampled by the Germans or the Russians — NATO membership provides not only real security, but also a sense of homecoming, a direct and unbreakable connection to the center of European civilization after a wretched century.

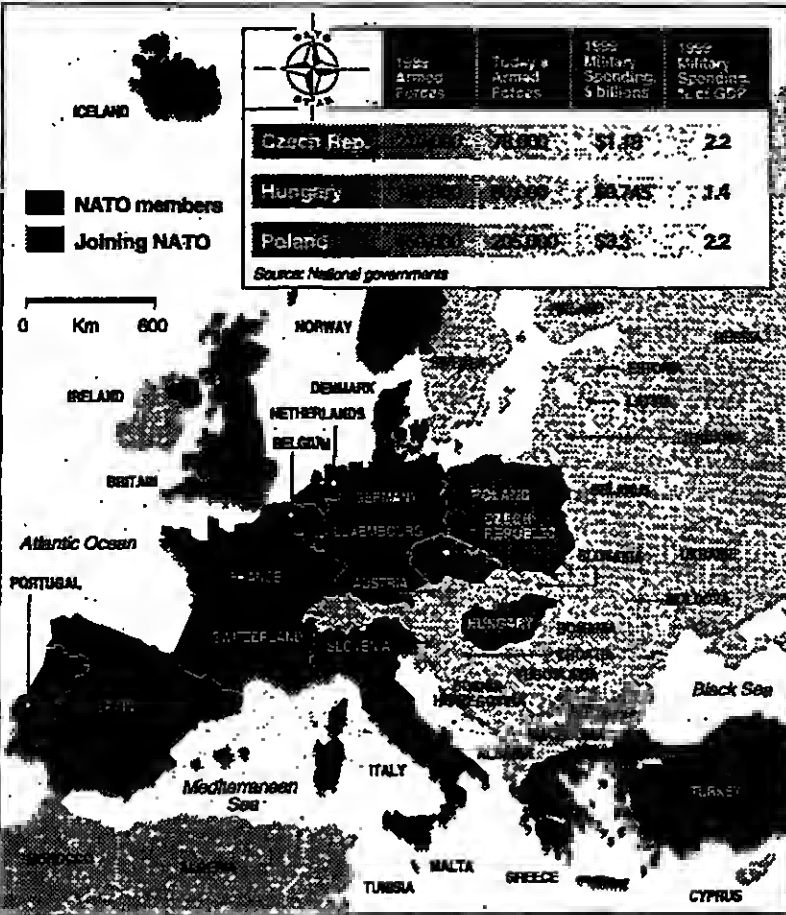
Foreign Minister Bronislaw Gerek, a soulful historian of the medieval world, compares the importance of NATO accession to Poland's conversion to Christianity.

For President Alexander Kwasniewski, a former Communist and an altogether brasher politician, NATO means the end to the Yalta conference's division of Europe, when the West let Stalin draw lines of influence through Europe.

"This is the most important moment in our history," Mr. Kwasniewski said. "We are entering NATO, we are returning to the place which is our proper home. Being in NATO means not only security for ourselves, but also our willingness to share risks about the future of Europe."

For the Czech president, Vaclav Havel, who was in jail 10 years ago, NATO means that "we will have a solid security anchoring for the first

See NATO, Page 2



### A New Era for Ins and Outs of the Alliance

Those countries left out of the NATO expansion feel now that, in spite of their disappointment over the delay, their security has been enhanced by the bridging of the former East and West military blocs.

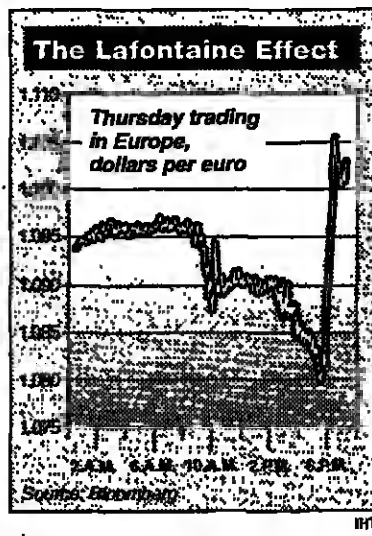
Poland and Germany, two countries that lived for centuries back to back in hostility, suspicion, invasions and war, are now merging some military units, training programs and standardizing equipment and facilities. Page 2.

## As Dow Nears 10,000 Level, Euro Hails Bonn Shake-Up

The Dollar		
New York	Thursday 4 P.M.	previous close
Euro	1.1032	1.0945
Pound	1.6364	1.6265
Yen	119.245	119.75
DM	1.773	1.7806
FF	5.9463	5.9919

Dollars per pound and per euro.

The Dow		
Thursday close	percent change	
+124.80	9,897.44	+1.27%
+10.84	1,297.68	+0.84%
+6.24	2,412.24	+0.26%



U.S. stocks rose toward a second straight record close Thursday on signs the economy continued to expand. Meanwhile, the euro shot up after the German finance minister stepped down. (Page 13)

## Albright Rejects Attack On Policy Toward China

By Eric Schmitt  
New York Times Service

WASHINGTON — Secretary of State Madeleine Albright is seeking to defend U.S. policy toward China in the face of concerted Republican attacks on the Clinton administration's handling of suspicions that China stole nuclear technology from the Los Alamos laboratory.

Mrs. Albright, testifying Wednesday before a House panel less than a week after visiting China, said that the theft of nuclear secrets from the lab was a "very serious issue" that the CIA was assessing. But she argued that it should not dominate efforts to remain engaged with Beijing on a variety of issues from human rights to trade policy, which the administration is trying to negotiate separately. Leading congressional Republicans were unsympathetic to that argument, as they have been from the start. Instead they went on the attack, accusing the administration of not taking the theft seriously enough at first and then of not adequately briefing Congress.

Sens. Richard Lugar of Indiana and Trent Lott of Mississippi, the ma-

jority leader, demanded better explanations from Congress. The uproar, inevitably, bled into the political arena, with two presidential hopefuls, Patrick Buchanan and Steve Forbes, each accusing President Bill Clinton's national security adviser, Samuel (Sandy) Berger, of "dereliction of duty," and demanding that he resign for failing to keep Congress adequately informed about the theft.

The administration says it briefed lawmakers beginning in 1996 on suspicions that China had acquired important nuclear bomb-building technology from Los Alamos.

"China bristled at the charge of military espionage. On Thursday, the Foreign Ministry spokesman, Zhu Bangzao, said the allegation was 'groundless and extremely irresponsible.' Agence France-Presse reported from Beijing, 'We hope the U.S. government can take effective measures to reduce trouble and remove obstacles to ensure the stable development of China-U.S. relations,' he said."

Mr. Berger, traveling with Mr. Clin-

See ALBRIGHT, Page 6

## Clinton Apologizes for U.S. Policy in Guatemala War

By John M. Broder  
New York Times Service

GUATEMALA CITY — President Bill Clinton has apologized for U.S. support for rightist governments in Guatemala that killed tens of thousands of rebels and Mayan Indians in a 36-year civil war, and he promised American support for national reconciliation.

At a forum with Guatemalan leaders, Mr. Clinton said: "For the United States, it is important that I state clearly that support for military forces and in-

telligence units which engaged in violence and widespread repression was wrong, and the United States must not repeat that mistake."

He made the statement in his opening remarks Wednesday to an informal gathering of leaders from many sectors of Guatemalan society, including prominent Indians, women, government officials and representatives of a truth commission that recently issued a report on the civil war.

A commission report, released late February, concluded that the United

States had given money and training to Guatemalan forces that committed acts of genocide against Mayans and other extreme human-rights abuses during the brutal conflict here, which began in 1960.

CIA involvement in Guatemala's campaign of terror against Mayan and leftist insurgents had long been an open secret, but the report of the Historical Clarification Commission confirmed the CIA's participation in a civil war that killed more than 200,000 people.

The report said that American training

of Guatemalan military officers in counterinsurgency techniques had played a significant role in the torture, kidnapping and execution of thousands of civilians. American officials previously endorsed the findings of the commission, but no president had directly confronted the U.S. role in the war's atrocities.

Mr. Clinton on Wednesday praised Guatemala as a society that was coming to terms with its painful past and was moving forward.

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### AGENDA

#### Senate Panel Urges More Embassy Safety

WASHINGTON (Reuters) — A Senate panel called on Thursday for more spending on security at U.S. embassies and questioned the Clinton administration's reaction after last year's embassy bombings in Africa.

Senators in both parties said the administration's new spending re-

quests for security improvements at U.S. embassies were insufficient, given the clear and growing threat of international terrorism.

The panel recommended that the government spend \$1.4 billion a year for the next 10 years to make U.S. embassies safer.

**FARM FEUD** — Luc Guyan, representing farm unions, reacting negatively Thursday to an agreement by farm ministers to reform EU agricultural policy. The accord must be approved at a Berlin summit this month. Page 7.



## Indonesian Religious Tension Boils Over

### Christians and Muslims Search for Reasons to Explain Sudden Violence

By Atika Shubert  
Washington Post Service

AMBON CITY, Indonesia — For more than 30 years, President Suharto kept a lid on simmering tensions in this sprawling island nation. But the explosion of violence between Christians and Muslims in the remote province of the Moluccas since January has called into question Indonesia's ability to maintain harmony since Mr. Suharto's resignation in May.

It takes only a brief visit to the port in this provincial capital 2,250 kilometers

(1,400 miles) east of Jakarta to see the chaos. Ten thousand refugees have fled their way onto the docks, fighting for space aboard the only vessel out of the province — and the chance to leave comes only once every three days.

Usman, an 81-year-old refugee in Ambon's al Fatah Mosque, stared at the only items left after mobs burned down his home: an unmatched set of dining plates and forks and spoons he hopes to sell for a ticket out of the mayhem.

Not far away, 48-year-old David, a Christian trader, made the difficult de-

cision to send his elderly mother and 10-year-old son to safety in a neighboring province and to keep his wife and 16-year-old daughter with him as he faces the prospect of more violence.

Neither Usman nor David ever thought this would happen, that their long-peaceful homes would explode into the sort of violence that killed more than 200 people in one month.

"We don't want to leave. This is our home, with our neighbors and friends," David said. "I was born here, and I have never seen anything like this. We are all the same people, but I can't understand why this is happening."

Few can offer reasons for the sectarian violence, the worst in Indonesia in decades. Explanations range from the simplest of motives, revenge, to a more complex historical dynamic involving the pattern of Muslim migration into the once predominantly Christian island chain of Moluccas, also known as the Spice Islands.

In addition, there has been a breakdown in the authority of the military, which under Mr. Suharto maintained control by brutal methods but lately has been fending off accusations of human rights abuses.

Islam and Christianity have lived side

## Japan Recession Over, Some Say, as Economy Stirs

By Sheryl WuDunn  
New York Times Service

NAKANOSHIMACHI, Japan — Bulldozers and tall cranes are popping up around the country, raising hopes that Japan may finally be close to lifting itself out of recession.

No other country has ever poured as much money — more than \$830 billion in the last 12 months alone — into economic revival as has Japan, and much of that money is now sloshing around the country and creating a noticeable impact. Here in this village in central

Japan, as in much of the country, construction crews are again busy, small companies are getting loans again and some people are feeling a tad more confident.

Japanese leaders have traditionally funneled money into brick-and-mortar projects to stimulate the economy, so the signs of life these days are interpreted by most experts as just a temporary comeback, not a self-sustaining recovery. There have been many false starts the last eight years, but the economy has always sunk back, this time into the deepest recession since the end of World War II.

To the pessimists, however, Japan is like a vehicle

being towed along the road by all that deficit spending. They doubt its engine will start without an overhaul.

Whatever the reasons for the movement, whatever the concerns for the future, the passengers throughout Japan seem relieved that at least the vehicle may be going forward again.

Any progress in Japan would also be a major relief for the rest of the world, since Japan is the second-largest economy after the United States and by far the largest in Asia. Optimists believe that Japan has

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France	10.00 FF	Saudi Arabia	10 SR
Gabon	1,100 CFA	Senegal	1,100 CFA
Italy	3,000 Lire	Spain	250 Ptas
Jordan	1,250 JD	Tunisia	1,250 Dh
Kuwait	700 Fils	U.S. Mail (Eur.)	\$1.20





## Atlantic Alliance Enlargement / The Ins and the Outs

## Those Left on the Sidelines See an Improving Climate for Stability

By Joseph Fichten  
International Herald Tribune

PARIS — For countries in Central Europe left out of NATO's first wave of expansion, the political embarrassment and fears of isolation that might have marred the three new members' formal entry have eased. That is thanks to the alliance's success in involving these nations in defense cooperation short of membership and in improving the outlook for stability throughout the region, according to officials in Western capitals and in the nations waiting to be admitted.

Articulating this realistic attitude in Slovakia, one of the most bitterly disappointed applicants, Foreign Minister Eduard Kukan said this week: "We are genuinely happy for our neighbors and their success. Their admission, he said, 'is also beneficial for us because it will increase our own security' by extending the zone of Western political influence eastward."

Widely aired fears that NATO's selective enlargements would foment tensions, by drawing a new dividing line across Europe or creating a gray zone of vulnerable countries in Eastern Europe, have not materialized. Instead, NATO's prestige and ability to adapt to particular countries' situations seem to have reassured opinion both in nations in the alliance, such as Germany, and in non-member nations from the Baltic states, and Ukraine, Romania and Bulgaria, right down to Slovenia on the Adriatic.

## NEWS ANALYSIS

NATO has already induced a number of positive effects: to accelerate internal reforms and to improve their relations with one another," the U.S. deputy secretary of state, Strobe Talbott, said this week.

The settlement of intractable disputes, often the price of admission to NATO, has been carried out not only by Poland, Hungary and the Czech Republic with non-NATO neighbors but

also between non-NATO states, notably the end of a linguistic war between Bulgaria and Macedonia that NATO helped broker this year.

Another reassuring development for East Europeans has been the European Union's decision to take in new democracies beyond former East Germany. This European enlargement, Mr. Talbott said, resulted in part from the Clinton administration's initiative in getting NATO to enlarge, opening the way for political and economic development by first exporting security to the region.

In practice, NATO's role in the conflicts in Bosnia and Kosovo has reassured other countries in the region that the Western alliance was broadening the area and the definition of its intervention for stability. This view was repeatedly expressed by Mr. Kukan and other European officials this week at a conference on NATO sponsored by the Royal United Services Institute in London.

Of course, diplomats there pointed out, such

unexpectedly cheerful attitudes often simply showed countries on their good behavior in order to improve their chances of being tapped for future membership. NATO's open-door policy, alliance officials say, means that no country in Europe, regardless of history or geography, is excluded as a potential member.

That phrasing is ambiguous about Russia and its strategic neighbor, Ukraine, which both have separate cooperative pacts with the North Atlantic Treaty Organization. Russian leaders have become resigned to the first enlargement round "as a fait accompli," according to Sergei Rogov, the director of a Moscow think tank, but remain adamantly opposed to a second intake.

Moscow seems to be hoping that the three new members will prove harder to digest than NATO leaders expected. Now securely in the alliance, these governments may feel less obliged to live up to their commitments and maintain defense spending in the face of mounting domestic economic pressures.

The outlook for other countries seeking membership varies widely, officials said, almost unanimously citing Slovenia as a perfect candidate. Internally in good shape, this bit of former Yugoslavia would provide a land bridge anchoring Hungary to the bulk of NATO.

But Slovenia's invitation will not be forthcoming until it adds weight to a package including another candidacy, perhaps one of the Baltic states: Lithuania, Latvia or Estonia. Membership for them meets bitter opposition in Moscow, partly for strategic reasons, partly because they were part of the former Soviet Union.

Slovenia could also be coupled in NATO's thinking with Slovakia or Romania, countries that were once considered leading candidates until their political systems soured. Both countries now seem to be back on track and want early membership to help lock in their internal progress. Similar cases for admission are being pressed by Bulgaria and Macedonia.

## Historic Day For Europe: A Major Shift In Geopolitics

Continued from Page 1

time in our history, and an anchoring in the democratic world, in the world of protection of democratic values."

Mr. Havel, who has prodded the more sullen Czechs into the alliance, says their lack of open enthusiasm reflects "a certain amount of parochialism, isolationism and faint-heartedness, all of which have an established tradition in modern Czech history."

In fact, as the reality of membership looms — together with the mess in Kosovo and a regional economic slowdown — popular enthusiasm for NATO and required military spending has dropped in all three countries, with recent polls registering some 60 percent of Poles and Hungarians in favor of membership now, and some 55 percent of Czechs.

But all three governments remain enthusiastic about NATO and committed to increased defense spending even in these harder times, when Polish economic growth may drop to 3.5 percent of GDP this year and Czech growth has turned negative.

For Tadeusz Chabiera, with two sons and three daughters, there is also a simpler meaning for a Poland which has, at different moments over the last 300 years, disappeared from the map. "I want my children to grow up safely," he said.

## Burying the Ghosts

For the militaries of all three nations, NATO membership is also a chance to pacify, if not bury, some awkward ghosts. While some officers feel they are simply exchanging the language of one empire for another, most recognize that NATO is a voluntary alliance that works by consensus.

Colonel Petr Vlenovsky, who commands a Czech air defense brigade, said that membership in the Warsaw Pact meant a depressing servility to Moscow's orders. A military career, he said, commanded little social respect. "We had no opportunity to make decisions as a sovereign state," he said. "Now we can decide for ourselves, as a full partner in NATO countries."

In 1956, when the Soviet bloc invaded Hungary, few soldiers fought back. The Czechoslovak Army did not resist the Soviet invasion of 1968 any more than the Nazi occupation of 1939. The same Polish Army that nobly and vainly rode its horses into Nazi tank fire sent 50,000 fraternal forces to help crush the Czechs in 1968, and imposed martial law against the Solidarity free trade union — and much of Polish society — in 1981.

Still, the military, like the Roman Catholic Church, is at the center of Polish national identity, and the Hungarians, too, have an important military tradition that dates long before the Aus-



Polish soldiers showing a rocket launcher to General Henry Shelton, the chairman of the U.S. Joint Chiefs of Staff, center, in Krakow on Thursday. Poland, the Czech Republic and Hungary will join NATO on Friday.

tro-Hungarian empire. While there is some truth to "The Good Soldier Svejk" notion of the Czech soldier — survival despite apparent hunking and incompetence in 300 years of occupation — Czech soldiers have served with distinction alongside the British in Bosnia and the Americans in the Gulf.

Such successes — like Poland's peacekeeping efforts around the world and Hungary's engineering battalion, which has rebuilt 84 bridges in four years in Bosnia — will go a long way to raise the stature of the military within society, says Tamás Wachsler, the young state secretary of the Hungarian Defense Ministry.

"The key to rebuilding the overall character and prestige of the military is to give it teeth," he said. "NATO helps, not just by providing world standards but by opening up international careers to officers."

By insisting on civilian control over the military, NATO makes it easier to reform these armies and subordinate them to popular will, a senior Polish official said.

"Poland has never before had a modern democracy, and the military, like the church, has never been a democratic institution in Poland," he said. "The real test for NATO — and for Poland — is how to deal with undemocratic institutions and make them compatible with democracy."

That process has started — of Poland's 130 generals, fewer than 10 had the rank before 1989 — "but it will also take time."

## Sleek NATO Facility

Deep in a bunker under the Czech town of Stara Boleslav, there is a sophisticated Warsaw Pact air defense command headquarters that has now been transformed, with American aid, into a NATO facility that keeps watch over Czech airspace.

There are similar Air Sovereignty Operations Centers, as they are now called, in Poland and Hungary, and the American ambassadors to all three

countries talk enthusiastically about the "Dr. Strangelove" quality of the bunkers, with their huge overhead screens and sophisticated computers. The facilities will also help make commercial air travel safer for civilians.

All three centers opened only last month, but they were the most crucial military requirement for joining NATO.

The new members could hardly be defended without an integrated air defense system, coupled with 24-hour patrols and a rapid reaction capability by fighters.

"That said," noted a senior NATO country military attaché, "all the air crews need better tactics, training and doctrine."

NATO officials in all three countries expressed concern that while defense spending is increasing, the amount of money going to operations and training, especially for combat pilots, is insufficient or dropping. Except for frontline pilots, training hours are well below NATO standards.

Hungary, for instance, gives 27 pilots NATO's standard of 100 hours of training, while other pilots currently get only one hour; last November, some 40 Polish pilots held a public protest and quit over insufficient training.

While all three countries have met NATO's minimum military requirements, the training issue is a good example of the significant work that remains to be done to make NATO membership less hollow.

But this was NATO's choice, argues a senior Hungarian official.

"NATO rightly decided to invite key countries to join, provide them minimum requirements to reach in a short term, and work with them to bring them up to speed," the official said.

"The chances of a significant NATO military operation are very small, so it's OK to have some countries below NATO standards now, under the assumption they will reach them in five years."

Other minimum requirements the three countries worked hard to meet

include sometimes humdrum compatibility issues like communications equipment, adapter nozzles for fuel lines and security procedures, so NATO intelligence can be shared.

Outside Poland's sprawling old Defense Ministry headquarters, for instance, there are new gates and electronically controlled turnstiles, while new locks, safes and procedures have been installed in all three countries for handling NATO secrets.

Even here, the past intrudes, but in an ironic way. The Czechs were slow to give enough officers to take up NATO positions in Brussels or to handle NATO papers.

The reason was an extremely tough security law, requiring psychological exams and other queries that go beyond NATO standards, passed only last year.

The Czechs were so scared by the issue of security and the extent of collaboration with the secret police under the Communist regime that they raised very high new standards.

"In the long run, that will benefit us," said Petr Necas, chairman of Parliament's Defense and Security Committee, reflecting lingering concerns within NATO about intelligence-sharing.

In Hungary, similarly, a constitutional amendment limiting troop movements was passed in 1989, when Budapest was worried more about its membership in the dying Warsaw Pact than about joining NATO.

Two-thirds of those elected to Parliament must vote to allow Hungarian troops to operate outside Hungary.

Even for Friday's celebration of NATO accession, Parliament had to vote to allow British Grenadiers to bring their ceremonial swords into the country.

These laws make it more complicated, but hardly impossible, to participate in NATO exercises. Mr. Wachsler said. An effort to amend the constitution recently fell apart over internal political wrangling.

## Soon, Poles and Germans Will March as Allies

Foes Over the Centuries Practice NATO Roles

By Peter Green  
International Herald Tribune

SZCZECIN, Poland — The last time this ancient Baltic port saw the German Army was when Hitler's Wehrmacht was fleeing westward ahead of advancing Soviet troops in the waning days of World War II.

But on Friday, Poland, along with Hungary and the Czech Republic, will join Germany in NATO, and by the end of June, 50 German officers will be based in Szczecin, part of a new German-Danish-Polish army corps headquartered here.

The creation of the Multinational Corps Northeast finally marks an opportunity for Poland and Germany to bury the hatchet after 1,000 years of an often-acrimonious relationship, which culminated in Germany's invasion of Poland in 1939.

The corps will comprise 18,000 German troops from the 14th Mechanized Division and the entire Danish land forces (an 18,000-man division) joining 10,000 Polish troops from the 12th Mechanized Division.

"This is a totally new approach from the Polish side because we have lived with our close neighbor Germany for 1,000 years, but always back to back, never face to face," said Major General Edward Pietrzyk, the Polish officer who is establishing the corps headquarters of about 150 officers and men in Szczecin and will be its deputy commander when operations formally begin on June 26.

No German combat troops will be stationed in Poland, but once the corps' first large-scale operations begin next year, during Exercise Crystal Eagle, Polish soldiers will have an opportunity to train alongside Germans, doing much to break down the residual mistrust the Poles feel toward their bigger and wealthier neighbor.

"It is a question of whether we should look to the past or look to the future," said Colonel Mariusz Jedzicki, a senior aide to Poland's land forces commander. The multinational corps, he said, will mark "a historic act of reconciliation. Relations between soldiers will help one society to understand the other."

General Pietrzyk, who trained in Leningrad and Moscow as an artillery officer in the 1970s and 1980s and is a 1998 graduate of the U.S. National War College in Virginia, said the new corps would be a key training ground for Polish officers who will learn NATO standards on the job in Szczecin and then be posted back throughout the Polish Army to pass on their skills.

"This place is the gateway for the Polish armed forces to become part of NATO," he said. "We will do it by practice, every day. With a huge number of Polish officers and their families rotating here, we will change the mentality."

With 200,000 men, Poland's military will be NATO's fourth-largest, and such a change is vital because many

Poles see the army as a preserve of Soviet-style thinking, not a national treasure.

Polish soldiers get their backs up when asked about the army's falling prestige. But civilians who watch the army say that it is a serious problem and that the Szczecin Corps and other NATO efforts are important factors in bolstering the army's prestige.

"NATO will help the Poles to have a real army that is not used against the nation and that, like 1968, is not part of a hegemonic zone," said Tadeusz Chabiera, a private good promoting Poland's NATO entry.

"We want a real army that could have the social prestige it had before the war," he said.

Along with the Roman Catholic Church, the Polish Army has been one of the country's two pillars of national identity. Even in the 19th century, when Poland was partitioned among Germany, Austria-Hungary and Russia, dreams of a Polish army kept the ideal of nationhood alive.

Under Marshal Jozef Pilsudsky, the Polish Army stopped Russian Bolshev-

## Germans and Poles used to live back to back, but now they look forward to cooperative relations.

iks at the gates of Warsaw in 1921, saving the fledgling Polish Republic.

But the army was overrun by Hitler in 1939. And under communism, while still a focus of national pride, its prestige was dealt severe blows by its participation in the 1968 Soviet-led invasion of Czechoslovakia, and by the 1981 imposition of martial law, when the army forced striking Solidarity labor unionists to surrender.

Many Poles saw it as little more than an instrument of Soviet domination.

Today, only about one in six potential conscripts actually enters the military. The rest find deferments. Even officers are reportedly leaving in droves. A working knowledge of English and some computer skills are vital for a prospective military career, but those same skills can earn a Pole five times as much in private business.

"Yes, I will receive a salary like a sergeant from Germany," said General Pietrzyk.

But he added that only as a part of NATO could the Polish Army regain its prestige and eventually raise pay to the levels needed to attract the best and brightest young men and women as officers.

But the corps does have one opponent. In March 1997, NATO announced it would not deploy troops on the territory of the new members, and Russia has not taken the idea of the joint corps well.

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## TRAVEL UPDATE

## Security Review for U.S. Airports

WASHINGTON (AP) — Nearly 80 of the largest airports in the United States face an extensive security review as the Federal Aviation Administration cracks down on reported security lapses.

The aviation agency launched the six-week review after auditors in a survey of five airports found inadequate safeguards for keeping unauthorized personnel out of secured areas. Eventually, smaller commercial airports will be examined.

The agency will also determine whether it needs to do "red team testing" — such as sending undercover agents to try to penetrate security — to ensure that problem areas have been addressed after the review, a spokesman for the agency said.

## Airline to Show Sex Tourism Video

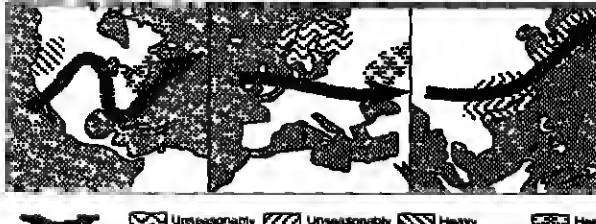
PARIS (Reuters) — Passengers flying from Europe to Asia on Air France flights will soon be presented with a short video aimed at fighting sex tourism for pedophiles, a spokeswoman for the carrier said Thursday.

The video, which will be shown from Monday on all flights to Asia, "aims to make people aware of the problem of the sexual exploitation of children," she said. Charities and children's rights groups say that more than 650,000 youngsters under the age of 16 work as prostitutes in Asia and that more could be forced into the sex trade as a result of the region's economic downturn. Air France will show the videos over the next 12 months.

Greece on Monday began implementing a European Union flight ban on the Yugoslav national carrier, Yugoslav Airlines, six months after most other EU countries began the embargo to protest the crisis in Kosovo. Greece had said bilateral agreements forced it to provide Yugoslavia with a six-month notice before halting JAT flights.

## WEATHER

Forecast for Saturday through Monday, as provided by AccuWeather.



Two large storms will affect North America. One will bring heavy rain to the East Coast and the other will bring heavy snow to the West Coast.

Temperatures will continue to rise across Europe and Asia. In Europe, temperatures will be in the 40s and 50s. In Asia, temperatures will be in the 60s and 70s. In North America, temperatures will be in the 30s and 40s.

Major forecasts and data provided by AccuWeather, Inc. ©1999 www.accuweather.com

## North America

City	Today	Low	High	Tomorrow	Low	High	Day After	Low	High
Albuquerque	52	32	62	55	35	65	58	38	68
Albuquerque	52	32	62	55	35	65	58	38	68
Albuquerque	52	32	62	55	35	65	58	38	68
Albuquerque	52	32	62	55	35	65	58	38	68
Albuquerque	52	32	62	55	35	65	58	38	68
Albuquerque	52	32	62	55	35	65	58	38	68
Albuquerque	52	32	62	55	35	65	58	38	68
Albuquerque	52	32	62	55	35	65	58	38	68
Albuquerque	52	32	62	55	35	65	58	38	68
Albuquerque	52	32	62	55	35	65	58	38	68

Legend: s=sunny, c=partly cloudy, o=mostly cloudy, sh=snow, h=heavy rain, r=rain, dr=sleet, f=fog, M=moon, W=wind

## Asia

City	Today	Low	High	Tomorrow	Low	High	Day After	Low	High
Algeria	23	13	33	25	15	35	28	18	38
Algeria	23	13	33	25	15	35	28	18	38
Algeria	23	13	33	25	15	35	28	18	38
Algeria	23	13	33	25	15	35	28	18	38
Algeria	23	13	33	25	15	35	28	18	38
Algeria	23	13	33	25	15	35	28	18	38
Algeria	23	13	33	25	15	35	28	18	38
Algeria	23	13	33	25	15	35	28	18	38
Algeria	23	13	33	25	15	35	28	18	38
Algeria	23	13	33	25	15	35	28	18	38

## Latin America

City	Today	Low	High	Tomorrow	Low	High	Day After	Low	High
Algeria	23	13	33	25	15	35	28	18	38
Algeria	23	13	33	25	15	35	28	18	38
Algeria	23	13	33	25	15	35	28	18	38
Algeria	23	13	33	25	15	35	28	18	38
Algeria	23	13	33	25	15	35	28	18	38
Algeria	23	13	33	25	15	35	28	18	38
Algeria	23	13	33	25	15	35	28	18	38
Algeria	23	13	33	25	15	35	28	18	38
Algeria	23	13	33	25	15	35	28	18	38
Algeria	23	13	33	25	15	35	28	18	38

Legend: s=sunny, c=partly cloudy, o=mostly cloudy, sh=snow, h=heavy rain, r=rain, dr=sleet, f=fog, M=moon, W=wind



THE AMERICAS

# Watching Dole: Where Does She Stand? Can She Stand It?

By Melinda Henneberger  
New York Times Service

WASHINGTON — During her husband's 1996 presidential campaign, Elizabeth Hanford Dole showed up, right on time, to tape a commercial for him. She read the spot through once, off the prompter. Then she thanked everybody and got up to leave.

Even professional actors can go through a dozen takes at such a taping, just getting warmed up. But when Mrs. Dole was called back and asked to try once more, she seemed at first not to understand the request, then took umbrage at the implication that her presentation had been other than perfect the first time. Before a third try, according to a sympathetic witness, she cleared the room and proclaimed herself thoroughly humiliated.

A long career in Washington has produced many such anecdotes about Mrs. Dole. Ever professional and widely admired for what one friend calls her "superhuman discipline," she prepares so thoroughly for public appearances that she even requires aides to count the number of steps she must take to the podium.

Though roughly as fragile as former Prime Minister Margaret Thatcher of Britain, Mrs. Dole is also famously thin-skinned, and has been known to burst into tears over unflattering press.

Even friends who think Americans might appreciate a president with an extra measure of self-control after the Clinton years wonder why she would subject herself to the ordeal of running for the office.

In a phone interview, Mrs. Dole said, "I've long ago learned to deal with the slings and arrows of politics." If she does run, she said, "It will be to make a positive contribution to people's lives, to bring civility back to politics."

Wednesday, when Mrs. Dole announced her intention to consider formally a presidential run, in what would be her first bid for public office, she appeared ready to become the country's first serious female presidential candidate and a serious contender, period.

As a two-time cabinet secretary, a former head of the American Red Cross and an im-



Mrs. Dole at the Iowa rally where she announced she would study a presidential bid. "She's a tough lady; she's as hard as her hairdo," a Republican consultant said.

mensely popular campaigner for her husband, former Senator Bob Dole of Kansas — (Remember all the talk about how the wrong Dole was running?) — she has stirred enormous interest among Republicans, and has consistently done well in early polls, usually placing just behind Governor George Bush of Texas.

Now Mrs. Dole will have to answer two major questions: What does she stand for? And can she stand the messy, uncontrolled, often out-of-control political process that will decide who becomes the next president?

After decades in the public eye, she is hardly an unknown quantity. But some in her party continue to wonder about her politics — and whether she is suited to the political life.

Is she a centrist in the style of, say, her husband? Or do her beliefs as a committed Christian put her politics more in line with the religious right?

Now 62, she became a Republican just before she became Mrs. Dole, at 39. And although she has repeatedly thrown herself into her husband's campaigns, her politics has

remained ambiguous, only because she has never run for office.

She said she defines herself politically as a mainstream conservative and laughs at the suggestion that she is too much of a perfectionist to handle a national campaign.

"That has been so overplayed," she said. "I said in a speech in 1987 that I considered myself a perfectionist, but I've really tempered that extensively and there's no way I could have taken on the issues I have if I had not tempered that."

And thin-skinned? Another laugh. "I have to disagree with that," she said.

Friends say she is running out of a real sense of calling, an almost missionary zeal.

According to Mari Maseng Will, an old friend and longtime adviser, the theory of Mrs. Dole's campaign is this: "Elizabeth has an opportunity to put together a new version of the Reagan coalition," appealing to conservative Democrats and independents.

"She's not forbidding in the way many Republicans are, not seen as a threat to others'

views and not intolerant," Ms. Will said, adding, "A lot of women would be drawn to her in a way they haven't been drawn to the Republicans in a long time — and young professionals, and eventually, the social conservatives."

The challenge will be filling in the blanks in that general portrait of her.

"She's a tough lady; she's as hard as her hairdo," said Alex Castellanos, a Republican consultant who has worked for Mr. Dole. "And she'll be one of the serious contenders."

"But until America learns where she would lead, she won't pass the threshold test," Mr. Castellanos said. "There's always a place at the table for a female candidate," he said, "but for it to become more than that, she has to have a message beyond 'I am woman, hear me roar.'"

Although Mrs. Dole is an active Christian who schedules time for daily prayer and who, friends say, is largely motivated by the dictates of her faith, she has never been a particular favorite among her party's base.

Her husband was never eager to join the abortion debate and seemed to put his foot in his mouth whenever he did broach the issue. Mrs. Dole's stated position, that she is against abortion except for certain cases but respects other viewpoints, seems similarly wishy-washy to some conservatives.

She says her position is wholly unambiguous: "It's pretty clear, I'm pro-life, with exceptions for the rape, incest and the life of the mother."

But even her pollster, Linda DiVall, suggests that her position is a little more complex, saying, "I don't know that she wants to overturn the law of the land," referring to the Supreme Court's Roe v. Wade decision legalizing abortion.

And one religious conservative leader, who spoke on the condition of anonymity, recalled that every time Mrs. Dole has spoken to his group, she has excised references to abortion.

Privately, some Republican consultants say they worry more about Mrs. Dole's flexibility than her politics, whatever they may be, and wonder whether she is gaited for the free-for-all of a national campaign.

## House for School Flexibility On Spending Federal Money

WASHINGTON — A bill designed to give schools more flexibility in spending federal money was approved Thursday by the House on a vote of 330 to 90. Unlike a companion bill destined for Senate passage, the House measure does not include any of President Bill Clinton's education proposals, including federal subsidies for hiring thousands of new teachers.

On Wednesday, the Senate broke through six days of procedural jousting and agreed to vote later Thursday on both the bill and amendments demanded by Democrats.

Republicans and Democrats have battled over whether the "ed-flex" bill, which would loosen strings on certain federal dollars, should include plans to spend \$1.2 billion to hire 100,000 new teachers nationwide to reduce class sizes. Late Wednesday, Senate leaders had cut a deal to put the bill up for a vote, along with a handful of amendments that include the new-teacher plan.

The House passed the bill without compromises. (AP)

## Starr Presents Data Revealing Fraudulent Loan Aided Clinton

LITTLE ROCK, Arkansas — The office of the independent counsel Kenneth Starr alleged Thursday that a fraudulent \$300,000 federal loan taken out by Susan McDougal in the mid-1980s was used to help pay off an earlier loan taken out in President Clinton's name for the Whitewater land venture.

In testimony at Mrs. McDougal's obstruction of justice and contempt trial, an FBI agent, Mike Patkus, made the first link between the fraudulent federal loan and a possible benefit to Mr. Clinton, who at the time of the 1986 transactions was Arkansas governor.

Mr. Clinton has testified he knew nothing about the fraudulent Small Business Administration-backed loan that Mrs. McDougal received and also never had any financial transactions or loans from the savings and loan owned by Mrs. McDougal and her late ex-husband, James.

But Mr. Patkus testified that he discovered a \$27,600 loan from Madison S&L to Mr. Clinton taken out in 1982 while pouring through microfilm records of the failed thrift. And he then traced for the jury a series of complex transactions that showed how the 1982 Clinton loan came to be reimbursed through the \$300,000 loan. (AP)

## Colombia Rebels Killed Americans

Leftist Group's Confession May Unblock Fragile Peace Process

*The Associated Press*  
SAN VICENTE DEL CAGUAN, Colombia — In a stunning confession, Colombia's largest rebel group has admitted its men abducted and killed three American activists, whose blindfolded and bullet-riddled bodies were found last week.

A senior leader of the leftist Revolutionary Armed Forces of Colombia, known as FARC, said Wednesday that the Americans were kidnapped and executed by a low-ranking field commander acting without the approval of his superiors.

Raul Reyes, a member of the group's seven-man ruling junta, said: "We condemn the abominable assassination of the three Americans."

The rebel who ordered the shootings may be put before a firing squad, Mr. Reyes added.

The fact that the group took responsibility was seen as a lifeline for efforts to negotiate an end to Colombia's 34-year conflict, which

suffered a serious blow when allegations of rebel participation in the killings emerged.

The bodies of Ingrid Washinawatok, 41, Lahe'ena'e Gay, 39, and Terence Freitas, 24, were found in a field just across the border in Venezuela one week after they had been abducted in Colombia by armed men. The bodies were returned to the United States on Wednesday.

The three Americans were abducted after spending a week in Colombia on a mission to help set up a school system for a local Indian group, the 8,000-member U'wa nation.

Mr. Reyes said a guerrilla commander and three rebels under his command captured and executed the Americans after discovering them on the U'wa reservation "without guerrilla authorization."

He gave no explanation, though, why the rebel officer — a 6-year veteran squad leader Mr. Reyes identified as "Gildardo" — would execute the hostages.

Nor did he explain why superiors in the tightly hierarchical rebel army were powerless to stop him.

The armed forces commander, General Fernando Tapias, called the group's confession "very positive for the peace process" but said the army had information suggesting that a different unit of the group had carried out the killings.

Former colleagues of the slain activists were also raising questions.

Melina Selverston, a Washington-based Indian rights activist who worked closely with Freitas on a campaign to keep foreign oil companies off of U'wa lands, said: "We don't accept their apology, and we need to know what happened."

"Why did they kill them?" she asked. In Washington, Assistant Secretary of State Peter Romero said the United States viewed the rebel admission cautiously.

"We will be following up to be sure that justice is done either in Colombia or in the United States," he said.

Washington had initially blamed the group for the killings, and requested that the guilty parties be extradited to stand trial in the United States.

Mr. Reyes said the guilty party would face rebel justice in Colombia.

"We will not turn over our fighters to any state," he said.

### Away From Politics

• The New York Civil Liberties Union has sued the city over its new policy to seize the cars of people accused of drunken driving. The lawsuit was filed on behalf of 72 people who lost their cars under the policy. (AP)

• O.J. Simpson's daughter, Amelle Simpson, 30, has paid more than \$10,000 in restitution for damaging a Beverly Hills bus bench and apartment building in a crash while driving drunk, prosecutors said. Ms. Simpson had pleaded no contest last year to misdemeanor drunken driving charges. (Reuters)

• Still reeling from a 1998 drought that devastated farming and ranching communities, Texas officials are increasingly alarmed about what appears to be a potentially more serious drought looming this year. The unusually warm winter and dearth of rainfall have severely damaged the winter wheat crop and stunted hay and natural grasses. (NYT)

• Newspaper executives denied rumors that the Denver Post would be sold to its rival, the Rocky Mountain News, as the two continued one of the last American newspaper circulation battles. (Reuters)

Tomorrow

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## BRIEFLY



INTERNATIONAL

# Pope and Iranian Leader Hail Talks as an Opening

## Khatami Speaks of Religions' Common Bonds

By Alessandra Stanley  
New York Times Service

ROME — Seeking to improve relations between Christianity and Islam, Pope John Paul II gave a private audience to President Mohammed Khatami of Iran on Thursday.

It was the Pope's first encounter with an Iranian head of state since the days of Shah Mohammed Reza Pahlavi.

As the Pope escorted the Shiite cleric out of his study in St. Peter's after a 25-minute talk, he called their meeting, "very important and promising."

The Vatican visit was particularly important to Mr. Khatami, who is the first Iranian president to visit Western Europe since the Islamic Revolution in 1979.

A moderate, Mr. Khatami came seeking to improve Iran's economic and political ties with the West.

As he was leaving, Mr. Khatami asked the Pope to pray for him and also for the Pope's own health and success.

"The hope is for the final victory of monotheism, ethics and morality together with peace and reconciliation," he told the Pope through a translator. "May God protect you."

He presented the Pope with gifts, including videotapes of an Iranian television miniseries based on a story in the Koran about Christians who fled persecution by hiding in Persia for 300 years. "I think you will find this interesting," he told John Paul.

The visit was described as cordial and friendly. One member of the Iranian delegation, also a cleric, was apparently so moved by the audience that as he passed the Pope on his way out the door he stopped and asked John Paul II if he could do something. He then leaned down and kissed the Pope on the cheek.

The Pope has long stressed the common bonds and beliefs between Christianity, Islam and other faiths. Since he arrived in Italy on Tuesday, so has Mr. Khatami.

"All the divine faiths are not quintessentially different," Mr. Khatami said in a speech to the European University Institute at Fiesole, near Florence.

The Pope last met with an Iranian leader in 1970, when he was greeted by the shah during an airport stopover in Tehran.

The Vatican did not break diplomatic relations with Iran after the revolution.

The Pope has talked with other Iranian officials in the Vatican, but Thursday was his highest-level meeting, and it was

billed as a historic event by the Vatican.

Mr. Khatami visited the United Nations last year. Iran currently chairs the 54-nation Islamic Conference, and that gave the papal audience additional weight.

The meeting with the Pope, therefore, assumes capital importance," the Vatican ambassador to Iran, Archbishop Romeo Panciroli, said on Vatican radio.

Mr. Khatami also met with the Vatican secretary of state, Angelo Sodano. According to a Vatican spokesman, they discussed the Middle East, Christian-Islamic dialogue and human rights in Iran, including the rights of Catholics there.

The Vatican is interested in improving conditions for Christians in Iran, who are a small minority of about 120,000. There are only 13,000 Roman Catholics there, and they are allowed to worship in their churches, but according to Fides, the missionary arm of the Holy See, Catholics are closely watched and denied some civil rights such as careers in the military or government.

The Iranian government is even less tolerant of larger religious minorities such as the Baha'is, followers of a faith that originated in 19th century Persia and which Iranian clerics consider apostasy.

Human rights organizations and Iranian dissident groups say they are fiercely persecuted by the more conservative wings of the Iranian judiciary and security forces.

In Rome, where security surrounding President Khatami was tighter than for any other official visit since the then Soviet leader, Mikhail Gorbachev, came to Rome in 1989, about 50 Iranian demonstrators managed to squeeze into a far corner of St. Peter's square, but were cordoned off by barriers and a solid wall of Italian police officers.

They waved banners and shouted slogans against Mr. Khatami.

"He is a fascist and a terrorist!" one protester screamed. Despite all the security, Iranian protesters in Rome managed to hurl paint-filled eggs at Mr. Khatami's passing motorcade.

By coincidence, Salman Rushdie was in Italy at the same time as Mr. Khatami, delivering an honorary degree speech at the University of Turin on Wednesday. Mr. Rushdie was sentenced to death by Ayatollah Ruhollah Khomeini in 1989, who accused the British author of blasphemy in his novel, "The Satanic Verses."



President Mohammed Khatami with Pope John Paul II at the Vatican on Thursday. The Pope may visit Iran this summer during an Asian trip.

In September, Mr. Khatami's government lifted the sentence, known as a "fatwa." But conservative mullahs reaffirmed the sentence on its 10th anniversary. Mr. Khatami did not publicly mention Mr. Rushdie during his visit.

Before visiting the Pope, Mr. Khatami had a breakfast meeting at the Italian Foreign Ministry with two dozen top Italian businessmen, including Guglielmo Moscato, chairman of Ente Nazionale Idrocarburi, the Italian energy giant, which, along with the French oil company Elf-Aquitaine, recently signed a \$1 billion deal to develop an off-shore oil field in Iran.

An Italian official said that in the meeting Mr. Khatami sought to reassure the business executives, saying that Iranian society was opening up and that foreign investors could have confidence in the new climate.

Mr. Khatami, who flew back to Tehran on Thursday, told the Pope that

he left Italy with "beautiful memories" of his visit in the Vatican.

### Rushdie Visit Angers Iranians

Iranian newspapers lashed out at Italy on Thursday for playing host to Salman Rushdie during the state visit by President Khatami. Reuters reported from Tehran.

"The Italian Foreign Ministry must be held accountable for not informing its Iranian counterpart of its intention to grant a visa to the apostate Rushdie concurrent with the visit of President Khatami," said the English-language daily Iran News.

Honoring an apostate "is a cause for revision in Iran of what has so far been seen as Italian goodwill and friendly intentions," it said.

"One cannot help but reach the conclusion that at least some in the Italian government fully intended to insult our president, nation and religious beliefs," the daily added.

# U.S. Restricts Low-Altitude Flights in Italy

By Matthew L. Wald  
New York Times Service

WASHINGTON — American flight crews working temporarily at the base in Aviano, Italy, are now prohibited from low-level training flights like the one that hit a ski-gondola cable 13 months ago, killing 20 people, the Pentagon has said in announcing plans for a safety study in the aftermath of the accident.

Tapes of each training flight are routinely reviewed by outsiders to make sure rules are followed, a Pentagon spokesman said Wednesday, but the military will not discuss other details, like whether the map used by the pilot last year, which did not show the cable, has been updated.

Defense Secretary William Cohen has appointed Admiral Joseph Prueher, the former commander in chief of the Pacific Command, to review measures taken since the Marine Corps Prowler jet hit the cable. The review is to take 30 days.

The pilot was acquitted by a military jury March 4, a day before Prime Minister Massimo D'Alema of Italy visited the White House. President Bill Clinton promised the review after outrage over the verdict. The Italians are to appoint an officer to work with Admiral Prueher.

A Pentagon spokesman, Captain Michael Doubleday of the navy, said that since the accident, Italian air traffic controllers have been briefing crews before each flight, and low-level training flights by American crews not permanently based in Aviano have been banned. The Marine squadron involved in the cable accident was on a six-month tour.

New rules also require crews flying low-level missions "to initial that they have read all of the appropriate directives and appropriate briefing materials," Captain Doubleday said.

But Kenneth Bacon, another Pentagon spokesman, asked Friday about the chart the crew was using, which did not show the lift cables, said, "I'm not aware that a change has been made yet in the map, but I really can't talk about that because that's the subject of a different litigation."

The court-martial disclosed other, deeper problems. For example, the Marines were relying on an altimeter that may have been disabled by the way they were flying the plane. Also, pilots fly low-level missions so seldom that they cannot maintain proficiency.

The Marine Corps is planning to announce Monday whether it will also court-martial the navigator, Captain Joseph Schweitzer, on the homicide and manslaughter charges on which the pilot, Captain Richard Ashby, was acquitted.

BRIEFLY

## 85 Injured in Gaza As Protesters Riot

GAZA — At least 85 people were injured Thursday in a second day of clashes in the Gaza Strip triggered by a death sentence imposed on a former Islamist activist, witnesses and medical workers said.

The Palestinian police sealed off the area, preventing journalists from covering the clashes in the southern Gazan town of Rafah.

Rioters pelted policemen with stones and they responded with gunfire, teargas and clubbing.

A medical worker said more than 70 policemen were treated after being hit by rocks and that about 15 protesters were wounded, two by live ammunition.

Two Palestinians were killed in similar clashes Wednesday after a Palestinian court sentenced to death a former activist of the militant Hamas group over the February killing of a security officer. (Reuters)

## EU Rebuffs Israel Over Meetings

JERUSALEM — The European Union has rejected Israel's request to halt meetings in Arab East Jerusalem between European diplomats and Palestinian leaders, officials said Thursday.

Foreign Minister Ariel Sharon of Israel made the request last month to foreign missions, urging diplomats not to meet Palestinians at the Orient House, the Palestine Liberation Organization's Jerusalem headquarters.

Israel refers to both East and West Jerusalem as its undivided capital, in a policy most countries reject. (Reuters)

## Canada Boycotts Talks with France

OTTAWA — Canada has boycotted a meeting in Paris to signal its anger over what it said was France's treatment of the separatist government of Quebec as a sovereign state.

The diplomatic disagreement erupted into the open Tuesday night when the Canadian government issued an unusual public rebuke of France for inviting Quebec to attend the meeting on development and culture. (Reuters)

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## INTERNATIONAL

## Missile Shield Would Annoy Russians, Too, China Asserts

BEIJING — China said Thursday that it had held discussions with Russia about Washington's plan for what is called a "theater-missile defense system" to protect U.S. troops and allies in Asia.

Both Beijing and Moscow are opposed to such a program, China stressed.

"Both China and Russia have expressed their respective stands on the issue of TMD," said the Foreign Ministry's spokesman, Zhu Bangzao. "On this issue, both sides have held talks."

He did not say where and when the talks were held or who was involved, but Prime Minister Zhu Rongji and a large delegation visited Moscow last month.

China has vehemently opposed suggestions that Taiwan, which Beijing regards as a rebel province, be included under a missile-defense umbrella.

Beijing has said this would mean a U.S. military presence on the island, something China would see as "the last straw" in difficult bilateral ties.

Russia is worried that the U.S. project to build a limited missile shield would mean revising the 1972 treaty on anti-ballistic missiles, which Moscow regards as a cornerstone of nuclear stability.

Russian officials made this clear to a U.S. delegation that visited Moscow last month but stopped short of voicing opposition to the system.

U.S. officials said they had sought to reassure Russia that Washington would not withdraw from ABM commitments.

The United States says the umbrella is being considered because of a perceived missile threat from North Korea.

There have been calls in Washington for Taiwan to be under the missile-defense system, which has its roots in anti-ballistic missile research begun in the 1980s.

A recently published Pentagon report said that China was building a major force of ballistic and cruise missiles near its coast and could present an overwhelming threat to Taiwan in five years.

Secretary of State Madeleine Albright said in Beijing last week that China should stop worrying "about a decision that has not been made to deploy defensive technologies that do not yet exist."

"China should focus its energies on the real source of the problem: the proliferation of missiles," she added.

Russian military officials say the United States has exaggerated a nuclear threat from "rogue states," unaligned with anyone.

Western experts say Russia — dependent on the West for loans and with its own military underfunded — is aware that it has limited leverage to counter any U.S. missile plans.

In another development, China proposed that the United Nations negotiate a ban on weapons in outer space. The Chinese ambassador, Li Changhe, said in a speech to the UN Conference on Disarmament in Geneva that preventing an arms race in outer space had become a "pressing" issue.

The hypothetical U.S. theater missile defense system, backed by Japan, would be land-based but would probably use space sensors to provide early warning of enemy attack or accidental launches.



HIT THE BEACH — Sailors of the Japanese navy heading for shore leave at Port Kelang, Malaysia, on Thursday. They are part of a training exercise for recent graduates of the navy's Officer Candidate School.

## CHINA: Congress Assails China Policies

Continued from Page 1

in Guatemala City on Wednesday, defended his actions. "I have no intention of resigning," he said. "The actions that we took as a government when we learned of this alleged espionage which took place in the '80s I believe were appropriate. I believe were in the national interest, and I believe we acted swiftly."

But Mr. Lugar, one of the most influential Senate Republicans on foreign policy, urged Mr. Clinton "to give the American people a damage assessment" and to review the administration's China policy before the Chinese prime minister visits Washington next month, when he is expected to push for entry into the World Trade Organization.

Mr. Lugar sought to add the espionage case to the growing list of Republican complaints about Mr. Clinton's China policy, which include charges that the administration had been too soft on Chinese human rights violations, had allowed American aerospace companies to transfer missile technology to Beijing and had accepted improper campaign contributions from Chinese donors.

"The Clinton administration already had dug a very deep hole for itself on Capitol Hill with respect to China," Mr. Lugar wrote in an Op-Ed article on Wednesday in The Washington Post. "That hole just got deeper and wider."

And Mr. Lugar endorsed a plan for the Armed Services Committee to hear testimony from the Republican and Democratic authors of a classified bipartisan House report that concluded China obtained some of the most sensitive American military technology.

Against this angry backdrop, Mrs. Albright and two other cabinet members, Commerce Secretary William Daley and Energy Secretary Bill Richardson, mounted a coordinated defense Wednesday of the administration's handling of the case.

Under sharp questioning from the House Appropriations subcommittee that controls the State Department's funding, Mrs. Albright stressed the importance to the United States of engaging China, even in light of the spy charges.

"It is very important for us to engage with a country of 1.3 billion people that has a huge land mass, and that has an



Mrs. Albright defended U.S. policy in the face of technology leaks.

influence within its region, and that is also a permanent member of the Security Council," Mrs. Albright said.

"We have made some progress in terms of their cooperation on nuclear proliferation on rogue countries," she said.

"They're not supplying things to us safeguarded facilities."

## CLINTON: Guatemala Gets Apology for U.S. Support of Rightists

Continued from Page 1

The United States will no longer take part in campaigns of repression, Mr. Clinton said. "We must and will instead continue to support the peace and reconciliation process in Guatemala," he said on the third day of a four-day journey through Central America.

American backing for rightist governments in Guatemala, Honduras, El Salvador and Nicaragua and covert actions against leftist guerrillas over the past four decades caused "bitter divisions" in the United States, Mr. Clinton said.

Mr. Clinton also promised to address the unequal treatment accorded some illegal immigrants from the nations of Central America to the United States. But

even as he made the pledge, the administration began steps to deport 5,000 Salvadorans and Guatemalans who entered the United States illegally in the aftermath of a hurricane last October.

Mr. Clinton vowed to try to change the rules under which Salvadorans and Guatemalans who entered the United States in the 1980s must prove that they would face political repression if they were returned to their homes.

Under the Nicaraguan Adjustment and Central American Relief Act of 1997, Cubans and Nicaraguans who entered the United States illegally while fleeing leftist governments are granted a presumption of political hardship and given an amnesty from deportation.

But Salvadorans and Guatemalans, who fled authoritarian governments,

must overcome steep hurdles to avoid being returned to their countries under the terms of the law, which Republicans sponsored.

### Clinton Is Asked for Freer Trade

Central American presidents pressed Mr. Clinton on Thursday to support freer trade between their countries and the United States, saying it would help limit illegal immigration and boost their fragile economies. Reuters reported from Antigua, Guatemala.

Wrapping up a four-day Central American tour, Mr. Clinton met the leaders of Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Belize and the Dominican Republic for a summit in a city that was the capital of all of Central America under Spanish colonial rule.

Mr. Clinton noted that Central America had had "a long and difficult season" with its civil wars and hurricanes but said, "We can truly rejoice that the springtime of renewal and rebuilding is here."

President Alvaro Arzu of Guatemala said the region needed the same access to U.S. markets as Mexico had through the North American Free Trade Agreement.

"We only need one thing: access to markets," the Guatemalan leader said. "Our land is fertile. Our people are hardworking."

Strikers want Mr. Mahuad to back down on austerity measures that have hurt many Ecuadorians. (AP, AFP)

## Schroeder Given Chance To Resume Centrist Path

Lafontaine Damaged Confidence, Aides Say

By John Schmid  
International Herald Tribune

FRANKFURT — Until Thursday night, the German government had been an unwieldy two-headed creature with two discordant voices and two ideological camps in constant conflict with each other.

But with the surprise resignation Thursday of Finance Minister Oskar Lafontaine, the heavyweight leftist in the Social Democratic Party, one of those voices has suddenly been silenced.

Mr. Lafontaine has long been the outspoken champion of his party's traditional left wing.

Since election night in September, Mr. Lafontaine has used his considerable authority in the party to rival the influence of Chancellor Gerhard Schröder, who represents the party's pragmatist wing of modernizers and economic moderates.

Bonn sources said late Thursday that Mr. Schröder would present himself to the party on Friday as the candidate to replace Mr. Lafontaine as party chief. At a late evening news conference, Mr. Schröder declined to say who would replace Mr. Lafontaine in either post, but added that he would push for rapid decisions for both on Friday.

In an embarrassment to Mr. Schröder, Mr. Lafontaine's desire to assert himself earned him the nicknames of "co-chancellor" and "secret chancellor" in the early days of the Schröder government.

Mr. Lafontaine's economic policies have sparked a violent backlash by industry that Mr. Schröder's aides this week said is unprecedented in postwar Germany. Threatening to move jobs and operations out of Germany, business leaders have been in revolt over Mr. Lafontaine's policies, which they say will destroy jobs, cut create them, by shifting a bigger tax burden onto business.

Since Mr. Schröder's inauguration speech in October, German unemployment has risen by a half-million.

Mr. Schröder now has the chance to steer policy from his self-declared political "new center" without being undercut by Mr. Lafontaine.

Mr. Schröder will be able to install an economic pragmatist ally at the head of the powerful Finance Ministry. In line for the job is Hans Eichel, the state premier of Hesse, according to several party sources. By presiding for years over Germany's powerhouse economic region, party sources said, Mr. Eichel has become far more sensitive to eco-

nomic issues than Mr. Lafontaine, who has taken much of the blame for the 10 percent slump in the value of euro since it began life on Jan. 1.

Confirming the economic importance of the change in Bonn, financial markets sent the euro sharply higher.

Sources within Mr. Lafontaine's own party say he is so enamored of his own intellect that he is blinded to the resistance his ideas encountered in the four months of the struggling government. Against all odds and powerful opposition, Mr. Lafontaine has clung to his idea of controlling the world's \$1.5 trillion daily currency markets with simple target zones.

The news will have major implications for the rest of Europe.

In his campaign, Mr. Schröder promised an economic restructuring to adapt Europe's most pivotal economy for the era of globalization. With Mr. Lafontaine blocking him, none of Mr. Schröder's plans materialized.

Mr. Lafontaine's brief written statement omitted any reasons for the sudden departure. But recent events in Bonn made clear that Mr. Lafontaine had become a lightning rod for criticism.

The Schröder-Lafontaine conflict had escalated at an emotional closed-door cabinet meeting Wednesday night. Mr. Schröder singled out Mr. Lafontaine as he lashed out at his cabinet. German newspapers reported. He blamed his Finance Minister for heaping new burdens on the power-generation industry just when the government was trying to extract an agreement to shut down nuclear power plants.

Such policy confusion, and a succession of policy reversals and retreats, have led to a slump in economic confidence.

Evidence that Mr. Lafontaine had driven money out of Germany's economy appeared this week. A private bank in Liechtenstein, the V-P Privat Bank, announced that the "Lafontaine effect" had sparked a flow of funds out of Germany and into its accounts, even allowing the bank to pay a special dividend.

The popularity of the governing Social Democrats reached a new low this week. Only 22 percent of respondents to a Forsa institute poll believe the four-month-old government can solve the nation's problems, down from 30 percent in January.

The resignation appears to signal the end of one of Germany's most colorful political careers. Mr. Lafontaine wanted to run for chancellor last year, but bowed to Mr. Schröder as the better campaigner.

## GERMANY: Lafontaine Quits Coalition

Continued from Page 1

achieve. While it remains one of the world's two largest exporters, Germany now ranks only 24th among nations in competitiveness.

Germany has some of the world's highest wage costs, shortest working hours, longest vacations, oldest students and youngest retirees. As a result, many companies are fleeing abroad where social welfare is less costly and policies are more amenable to hefty profits.

After a successful election campaign in which Mr. Schröder charmed voters with his pro-business credentials, Mr. Lafontaine parlayed his substantial political power as chairman of the winning party to secure the government's second most powerful post. He also charted a leftist economic policy that sought to close tax loopholes for corporations while giving tax breaks to lower and middle-income citizens as a way of stimulating demand in a moribund economy.

But in a cabinet showdown Wednesday that may have triggered Mr. Lafontaine's resignation, Mr. Schröder angrily insisted to his assembled min-

isters that the government must stop imposing intolerable burdens on business if it hoped to make good on its promises to create jobs and fulfill the expectations of a majority of German voters.

Mr. Schröder said all problems facing Germany "must be viewed realistically" and "checked for any negative economic effect," according to his spokesman, Uwe-Karsten Heye. The chancellor said it was suicidal for the government to make impossible demands, and he declared, "I will not let policies against business be made with me."

Mr. Schröder accused Mr. Lafontaine of alienating many business leaders with tax reform plans that would have closed many of the loopholes that enabled German corporations to escape huge financial reserves.

Last week, a group of 20 leading German business executives warned Mr. Schröder in an open letter that the reform plan would "create uncertainty and deter investors." Several of them, including leaders of top insurance and energy companies, said they would consider moving a significant part of their operations abroad if Mr. Lafontaine were allowed to impose policies they considered inimical to their interests.

Government plans to shut down Germany's 19 nuclear plants, which produce about 35 percent of the nation's electricity, have also outraged energy and utility companies. More than 30,000 workers from the energy industry staged protest marches in Bonn this week to dramatize their fears about their jobs.

## Violence Racks Ecuador During Strike

Compiled by Our Staff From Dispatches

QUITO, Ecuador — The police used tear gas to disperse protesters in isolated street clashes in Ecuador's major cities Thursday, but a two-day national strike against economic reforms appeared to lose steam in its final day.

No injuries were reported. Urban transit, however, was paralyzed by the strike in Quito, Guayaquil and Cuenca. Clashes Wednesday left 19 people injured and 97 arrested as protesters threw incendiary devices and burned tires on the streets of cities across Ecuador.

President Jamil Mahuad, who took office seven months ago, met with his economic advisers to hammer out details of an emergency plan to salvage this poor Andean nation's collapsing economy. The national currency, the sucre, lost 25 percent of its value last week.

He was due to speak to the country Thursday night by radio and television. "The president will announce a package of social and economic measures that will allow Ecuador to start reconstruction immediately," Defense Minister Jose Gallardo said.

Chairman Alvaro Guerrero of the State Modernization Council said early Thursday that the measures to be announced by Mr. Mahuad would be designed to revive foreign investment in Ecuador and generate jobs.

Ecuador's banks remained closed for a fourth day after Mr. Mahuad ordered an emergency bank holiday to prevent mass withdrawals amid fears the financial system was nearing collapse.

Strikers want Mr. Mahuad to back down on austerity measures that have hurt many Ecuadorians. (AP, AFP)

## AMBON: Christians and Muslims Seek Answers to Disturbances

Continued from Page 1

by side in the Molucca islands for more than 200 years, prompting one Indonesian to describe the province's religious harmony as "heaven on earth."

But Indonesia's transition from Dutch colony to independent republic in 1945 altered the Moluccas' social structure. Where once Ambonese Christians were the privileged citizens of Dutch rule, nationalist Muslims took the lead in promoting the fledgling republic. One result was an ill-fated, quickly suppressed separatist movement of the so-called South Maluku Republic, which Ambon Island's Christians supported.

In the Suharto era, Muslim traders from neighboring provinces began filtering into the Moluccas, further disrupting the social order and eventually bringing the distribution of Muslims and Christians in the Moluccas to 50-50. In all of Indonesia, Muslims comprise a majority of more than 80 percent.

As Muslim migrants began to control the local economy, the old system of village interdependence, in which villages often banded together in the face of crisis, began to break down. This shift led Christian communities to suspect the government of favoritism, local Christian leaders say. This development, they say, may have created an environment that became ripe for conflict.

"We used to have tight social rules and values, but now they are gone," said Father Liang, a pastor of Silo Church, one of the first in Ambon to be attacked

by mobs. "Perhaps Suharto was in power too long, promoting Islam more than Christianity, even though religion should never be politicized."

Although officials have blamed lurking "provocateurs," allegedly seeking to destabilize the country for their own political interests, the charged remains of Ambon's Muslim and Christian neighborhoods tell a different story.

There are campaigns urging ethnic Buginese, Buronese and Makasarese migrants to "get out or be killed." Angry graffiti have been scrawled on evacuated Muslim homes. Indonesian flags have been strung up in the ruins of Christian villages and the words "Christian dogs" spray-painted onto homes, a reference, residents say, to Christian sympathizers of Dutch colonial rule.

Some police and government officials attribute the violence to Ambonese gangsters who have been manipulated by political interests. According to this theory, an anti-Christian attack in November that killed 16 people was the opening salvo of the conflict. That battle reportedly drove Ambonese Christians out of their Jakarta stronghold back here to the provincial capital, and now they are seeking revenge, the theory goes.

"There are intellectual leaders that try to dumb down the public for their own interest," said Governor Laonisia, a native Ambonese Muslim. "One reason for these incidents is that these provocateurs don't want to have a stable government and they want the violence to spread outside of Maluku."

Whatever the reason, military and civilian authorities have not been able to contain the violence; they have even been accused by each side of favoring the other.

Dissension within the military is the reason the armed forces have been unable to assert control, according to some analysts. The path to military success used to require quick suppression of unrest, but in today's nascent democracy the rules have changed. Clamping down too harshly may incite the ire of human rights groups and the public, they say.

Indonesia's armed forces chief, General Wiranto, has sent more than 3,000 troops to the Moluccas to establish order and take harsh measures against "disturbances of any religion or ethnicity."

### Troops Stop Communal Clashes

Acrid smoke hung over Ambon on Thursday as troops quelled sporadic communal clashes a day after battles between thousands of Christians and Muslims killed up to 10 people. Reuters reported from Ambon.

Troops brought the harbor city under control by mid-afternoon. Some roads were blocked with trees and stones to separate Muslim and Christian pockets. There were no reports of deaths Thursday, although one official said several houses were on fire.

Up to 10 people were believed to have died after troops and police fired into crowds of Christians and Muslims fighting with Molotov cocktails, machetes and spears Wednesday.

## Israel Shrugs as Cohen Offers Arms to Egypt

The Associated Press

JERUSALEM — Defense Secretary William Cohen offered to sell \$3.2 billion worth of highly sophisticated U.S. weaponry to Egypt on Thursday.

Mr. Cohen later met with Prime Minister Benjamin Netanyahu of Israel, who shrugged off the deal as "nothing particularly new."

The proposed sale, announced by Mr. Cohen in Cairo, includes 24 advanced-model F-16 fighter jets, 200 M1-A1 tanks and one eight-inch Patriot missile battery.

Israel has expressed concern about Egypt and other Mideast allies of the United States acquiring the latest weaponry. But Thursday, Mr. Netanyahu played down the U.S.-Egyptian deal, saying that Egypt and Israel had been at peace for two decades.

He also underscored the close defense ties between Israel and the United States. "It will be very hard to find two countries that cooperate in the field of defense as intensely as Israel and the United States," he said.

Mr. Netanyahu said the most important security issue for Israel is the development of ballistic missiles and chemical and biological weapons by "radical regimes in the Mideast."

In Israel, his last stop on his Mideast tour, Mr. Cohen was to meet with the two opposition party candidates who are campaigning to unseat Mr. Netanyahu in elections scheduled for May — Ehud Barak, the Labor Party can-

didate, and a centrist party candidate, Yitzhak Mordechai. The secretary said those meetings were a courtesy and demonstrated Washington's neutrality in the political campaign.

Mr. Cohen announced the sale at a news conference after his meeting with President Hosni Mubarak of Egypt, who requested the arms. The sale requires U.S. congressional approval.

The F-16s will join Egypt's force of 196 F-16s. The new fighters will cost \$1.2 billion.

The sale would substantially expand Egypt's armored capability, which includes 555 M1-A1 tanks. The new tanks will cost about \$680 million and be assembled in Egypt from parts manufactured in the United States.

### Lockerbie Deal Stalled

Mr. Cohen said Thursday in Cairo that little progress had been made toward finalizing a deal for the handover of two Libyan suspects for trial in the Lockerbie bombing. Agence France-Press reported.

"We believe the offer that is currently on the table will not remain there indefinitely and that Gadhafi should accept it and move forward to a resolution of the issue," Mr. Cohen said.

Mr. Gadhafi, who also met this week in Cairo with Mr. Mubarak, said Tuesday that "only a few small questions" remain to be settled before agreement is reached between Libya, the United States and Britain on the affair.

## Researchers Find First Gene Known To Control Obesity

The Associated Press

NEW YORK — Researchers have identified the first gene known to suppress obesity, and regulate the burning of calories, a key step that may help in developing a drug that keeps people trim.

The gene, known as Mahogany or the MG gene, was discovered in mice. It is the sixth gene found to be implicated in obesity, but researchers said it was the first discovered to regulate metabolism and the expenditure of energy.

In one of two studies published in Thursday's issue of the journal Nature, scientists at Millennium Pharmaceuticals in Cambridge, Massachusetts, tested groups of mice with normal and mutated MG genes. They sustained the mice on diets with varying percentages of fat.

Mice with a mutated MG gene did not gain weight whether they ate a high-fat diet or a low-fat one. Mice with the normal gene gained weight on the high-fat diet.

Researchers said they were optimistic that the gene would play the same role in humans, but cautioned that it has been demonstrated only in mice.

Mahogany refers to the animals' brown fur.



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## INTERNATIONAL

## Hutu Problem Remains Intractable

Murders in Uganda Underscore Africa's and World's Ongoing Failure

By Lynne Duke  
Washington Post Service

JOHANNESBURG — The massacre of foreign tourists in Uganda by Congo-based Rwandan rebels last week highlighted one of Central Africa's most intractable issues: how to rein in the Hutu extremists who have spread havoc across the region since their failed attempt to exterminate Rwanda's Tutsi minority in 1994.

After the Bwindi National Park massacre in which 12 people, including two Americans, four Britons and two New Zealanders, were hacked or shot to death, President Yoweri Museveni of Uganda pledged bluntly that the Hutu extremists believed responsible would be hunted, captured, even killed.

But Ugandan and Rwandan troops have been trying for years to vanquish the Hutu extremists, remnants of the militias that carried out the government-orchestrated massacres of more than a half-million Tutsi and moderate Hutu in Rwanda in 1994. Uganda and Rwanda have fought two wars in Congo — one of which continues after seven months — to counter the regional threat that the Hutu extremists have posed since they fled Rwanda after the genocide was thwarted. Yet, the Hutu diaspora still stalks Central Africa.

At several key junctures in the region's long saga of violence involving the Hutu extremists, foreign powers have refused to step in — even when the Rwandan genocide was unfolding, a fact for which both the United States and the United Nations have offered apologies.

In recent weeks, however, African, U.S. and British diplomats, as well as the UN, have stepped up efforts to end the Congo war, which is rooted, in part, in the persistence of the threat that Congo-based Hutu present to Rwanda, Uganda and Burundi.

The UN secretary-general, Kofi Annan, said recently that a peace force — possibly numbering as many as 15,000 — would probably be needed in Congo once a solid cease-fire deal emerges between President Laurent Kabila of Congo and the rebels trying to overthrow him and the eight nations backing one side or the other.

Rwanda, Uganda and Burundi are fighting alongside the Congolese rebels against Mr. Kabila's government, which is supported by Angola, Chad, Namibia, Zimbabwe and, according to some reports, Sudan.

Last month, President Bill Clinton acknowledged for the first time the possible need for a peace force, saying that the United States would support an "internationally recognized" peacekeeping effort in Congo.

"It's been taken as an article of faith that there would be such a force," though its composition and mandate are far from determined, said a Western diplomat involved in the Congo mediations.

But negotiators have yet to articulate a formula for dealing with the Hutu extremists and numerous other stateless rebel groups that function like oomadic warriors and use eastern Congo's badlands as a base.

Of several Hutu groups scattered around Rwanda's borders, the *Interahamwe* ("those who work together" in the Kinyarwanda language) is the most infamous. In Rwanda, before the Hutu were driven from power in 1994, the *Interahamwe* was a militia of about 50,000 members that coalesced around ethnic hatred. Today, fear of the exiled *Interahamwe* is so pervasive in the region that any Hutu with a weapon often is assumed to be a member.

The *Interahamwe* is allied with Hutu extremists who were members of Rwanda's army, as well as with Congolese Hutu driven by similar ethnic animus. The group that killed the tourists in Uganda was identified as the Army for the Liberation of Rwanda, which a U.S. official said is closely linked to the *Interahamwe*.

Even if the nine nations involved in the Congo war could agree to a cease-fire and a settlement that would allow a peace force to enter the region, making such a peace force workable would hinge on the ability of Uganda, Rwanda and Congo to deal with the Hutu extremists. The United Nations is not likely to do it.

"This is something that they themselves will have to sort out," a UN official said of the regional states' ability to deal with the extremists.

After eight months of fighting, with no clear end in sight, Mr. Kabila's prime military backers, Zimbabwe and Angola, are ready to get out. Angola, which has plunged into renewed civil war, already has withdrawn most of its troops from Congo, diplomats and news reports say. Zimbabwe is beset by civil unrest and economic decline.

These strategic changes have created new space for diplomatic initiatives. The U.S. undersecretary of state, Thomas Pickering, was dispatched to the region this month, following weeks of talks held in various African capitals by Howard Wolpe, the U.S. envoy for the so-called Great Lakes region, which encompasses Congo, Rwanda, Burundi and Uganda.

This coincided with recent efforts by Britain's minister of state in the Foreign Office, Tony Lloyd, to press for a Congo peace deal, including a reported proposal for about 12,000 peacekeepers.

The current peace plan stems from

proposals by President Nelson Mandela of South Africa and President Frederick Chiluba of Zambia.

But the intractability of the Congo conflict is etched starkly by its history, and the rest of the world has come face to face with the Hutu extremist problem several times before.

Although a UN peace force was in Rwanda when the genocide began in April 1994, other nations decided not to intervene and withdrew the peace force rather than beef it up. The genocide ended only when a Rwandan Tutsi rebel force routed the Hutu-led army and militias in July 1994, driving them across the border to Congo, and established the government that now rules Rwanda.

There, in what was then called Zaire, the Hutu refugees gathered in UN camps that gradually came to be controlled by the armed extremists, who transformed the camps into virtual military bases and used them to strike across the border at Rwanda.

When Rwanda's new Tutsi-led military took matters into its own hands and, with Uganda's support, invaded Zaire to break up the camps, an estimated 1.1 million refugees were set adrift. Fighting forced about 600,000 of them to flee back to Rwanda — and scuttled plans for a Canadian-led UN peace force to assist in their repatriation — and about 500,000 were left to fend for themselves. The militant Hutu used these as human shields to drive deeper into Zaire. Rwandan and Congolese Tutsi troops pursued the Hutu and massacred an untold number as part of a military campaign that ultimately ousted Mobutu Sese Seko, the dictator of Zaire, and installed Mr. Kabila.

Mr. Kabila renamed the country Congo, but little else changed. Hutu militancy in eastern Congo survived, and Mr. Kabila's inability to suppress it eventually turned Rwanda and Uganda against him. Rwanda now alleges that, rather than help secure the eastern regions, Mr. Kabila allied himself with the Hutu militants, and even trained them in his army.

Washington, while taking no position in the Congo war beyond pushing for its negotiated end, is widely perceived in the region to be siding with Uganda and Rwanda, its close allies.

In messages sent out of Bwindi National Park with survivors of last week's massacre or left near the victims' bodies, the killers portrayed the slayings as a punishment for the West's ties with Rwanda. That prompted a tough response from Mr. Clinton, who said Thursday: "If this attack was intended as a warning to our nation to stop supporting those in the region seeking reconciliation and justice, those who committed it should understand that we will not be deterred in any way."



**DUTCH CHEERS** — President Nelson Mandela of South Africa waving to crowds Thursday during a boat ride in Amsterdam, his first stop on a trip to Europe. Two players from the Ajax Amsterdam soccer team, Beani McCarthy, left, and Aaron Mokoena joined him.

## Congress Gives Air Travelers A Forum for Their Outrage

The Associated Press

WASHINGTON — First there were mechanical problems at Denver, then the missed connection at Houston, an employee strike that passengers weren't told about, a detour to Miami during Super Bowl weekend without help in getting a hotel, a switched airline to the Grand Caymans and, adding injury to insult, lost luggage for which the original airline agreed to pay only \$640.

The story by Darlene McCord of Glenbrook, Nevada, of her vacation "turned nightmare" marked the second day of congressional hearings in which travelers, travel agents and consumer groups have skewered the airlines for poor service.

She testified to the Senate Commerce Committee, whose chairman, Senator John McCain, Republican of Arizona, is sponsoring one of several bills aimed at strengthening rights of air travelers.

"This winter the pot boiled over when Northwest Airlines held passengers inside an aircraft unable to take off due to weather at Detroit for seven and more hours," said Paul Ruten of the American Society of Travel Agents. "More recently, the 'sickout' by American Airlines pilots further enraged the public."

The industry, in testimony prepared for the Senate Commerce Committee on Thursday, said it had heard the complaints and was trying to respond.

A representative outlined several steps being taken, including providing timely information on flight delays and cancellations, quoting passengers the lowest fares available for which they qualify and assuring that unaccompanied minors have appropriate supervision.

At similar hearings in the House of Representatives this week, Tami Rourke of Newberry, Michigan, testified about how her son, 6, traveling alone on a Northwest Airlines flight in 1996, was delayed in Minneapolis overnight. He was put in a hotel room with a 15-year-old boy who sexually molested him, Ms. Rourke said, even though the industry's unaccompanied minors program requires children to be monitored at all times.

An outside counsel for Northwest said in a letter Wednesday that Northwest transported 125,000 minors annually and had never received another complaint of child molestation. He said the police had closed the investigation without filing charges after interviewing the 15-year-old, who denied the incident.

## Woodward Inquiry Proposed After Report on Baby's Death

The Associated Press

BOSTON — Lawyers for the former British air pair Louise Woodward said Thursday they would re-examine how a baby had died while in her care.

The decision followed the broadcast Sunday of a report on the program "60 Minutes" in which two doctors said they believed that 8-month-old Matthew Eappen had been strangled, not shaken by Ms. Woodward as prosecutors at her trial charged.

The attorneys said they were glad the doctors had agreed that Matthew had not died from shaken-baby syndrome as the prosecutors had claimed.

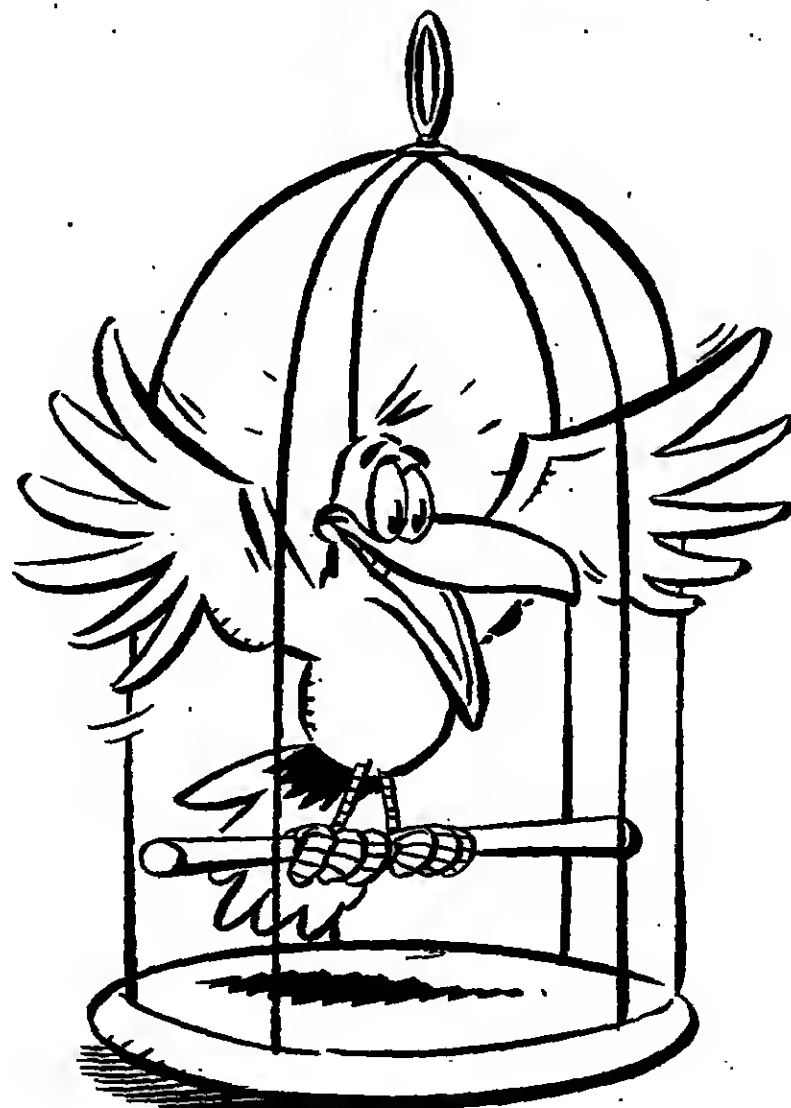
The report has stirred another wave of controversy over the case. It was revealed that one of the doctors had been paid by defense lawyers, and a group of more than 70 physicians criticized the

television report carried on the CBS network as "preposterous."

Harvey Silverglate, a defense lawyer, said the defense team's own experts would review the strangulation findings and then approach prosecutors to see whether they could jointly initiate an independent investigation.

The result could lead to a motion for a new trial, but lawyers said that decision would depend on the findings and would ultimately have to be made by Ms. Woodward.

Ms. Woodward was convicted in October 1997 of second-degree murder in Matthew Eappen's death. The trial judge reduced her sentence to involuntary manslaughter and released her from prison. She returned to England in June 1998 after the judge's sentence was upheld on appeal.



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EUROPE

## Farm Ministers Reach EU Deal

By Barry James  
International Herald Tribune

BRUSSELS — Farm ministers agreed on broad reform of the European Union's Common Agricultural Policy on Thursday, but failed to achieve radical cuts in spending.

The changes continue moves first introduced in 1992 to divert aid away from price subsidies and toward direct support for farmers. Rather than buying up farm products to keep prices artificially high, the proposed changes aim to extend the policy of compensating farmers directly for losses.

After three weeks of complex negotiations, the ministers broke off their talks in the early hours of the morning with an agreement that must now be approved by finance ministers and heads of government at a summit meeting in Berlin later this month. There, the agreement could run into difficulties because the meeting is aimed at bringing the EU's budget under control to set the scene for new members to enter the union early in the next century. Ten East and Central European nations plus Cyprus are formal candidates for membership.

The result reached Thursday may be actually to increase spending, over the

short term, analysts said. But because more than half of Europe's 7 million farmers are over 55 years old, the rural population is in steady decline, and the compensation payments are likely to decline over time. On the other hand, subsidies encourage ever higher spending because they encourage overproduction that forces down market prices, requiring yet further infusions of aid.

The French farm minister, Jean Glavany, warned that the farm deal could still fall apart if the EU leaders fail to agree on an overall budget package. "The work remains unfinished," he said.

His British counterpart said leaders might decide at Berlin to cut direct aid over time to achieve desired savings.

But the German agriculture minister, Karl-Heinz Funke, said, "We have more or less hit the nail on the head," even though the deal exceeded budget limits by about 2 percent.

And France's finance minister, Dominique Strauss-Kahn, said the agreement opened the way for a budget pact. "Things are starting to move," he said.

Luc Guyau, the president of the committee of European farm unions, COPA, said he would meet Chancellor Gerhard Schröder of Germany on Friday to ex-



A French farmer struggling with riot police as he was arrested Thursday in Rodez. He was protesting plans to reform European Union agricultural policy.

press dissatisfaction with the agreement, which he said only partly met farmers' needs. He said some farmers, for example those who grow oil seeds, were even less protected than their counterparts in the United States.

Under the proposed package, farm support will total about 313 billion euros (\$343 billion) over a seven-year period from 2000 to 2006, or about 44.7 billion euros a year. Finance ministers have called for spending to be kept at its present level of 40.4 billion euros.

Agricultural support is the biggest element in the EU's 86 billion euro annual budget, but it is also the union's longest-lasting and most vis-

ible sign of integration.

The EU commissioner in charge of agriculture, Franz Fischler, said the agreement "was the most radical reform since the Common Agricultural Policy was first established in the early 1960s."

He said it was "a solid basis for ensuring the future development of the EU's agricultural sector" and would benefit consumers and the environment too.

Mr. Fischler acknowledged the agreement was a compromise, but he said its effects would be increasingly felt in coming years.

The reform is intended to equip the EU with a position it can defend in the next world trade liberalization

talks scheduled to begin late this year. Subsidies drive prices higher than the world level, and products then have to be further subsidized to compete on global markets.

The EU is under pressure from trade partners such as the United States or Australia to reduce market-distorting farm aid. Mr. Fischler said the EU's new position will be "defended with vigor."

The changes are based on proposals put forward by the European Commission, the EU's executive body, last March. Mr. Fischler said the ministers had "shown great political courage in taking decisions which may seem to be politically unpalatable."

## U.S. Keeps Heat on Serbs

Holbrooke Will Stay in Contact on Kosovo Crisis

Compiled by Our Staff From Dispatches  
HOCA ZAGRADSKA, Yugoslavia — Yugoslav troops poured into southwestern Kosovo and pounded villages near the province's second-largest city on Thursday as fighting spread in the wake of the failure of a U.S. peace mission.

Hundreds of ethnic Albanians fled the new offensive on tractor-pulled wagons as tank and mortar fire boomed in an area surrounded by army troops and Serbian police units that moved in before dawn.

Fighting also continued in the north. The Kosovo Liberation Army asserted that five Serb policemen and one ethnic Albanian fighter had been killed, while Serbian sources denied that any of their forces were killed but said two were wounded elsewhere in the province.

The new fighting — and U.S. envoy Richard Holbrooke's inability to persuade President Slobodan Milosevic to agree to the stationing of NATO troops in Kosovo — muddled the chances of success for new peace talks scheduled for Monday.

The eruption of fighting in the Prizren area came just hours after Mr. Holbrooke was turned aside in his talks with Mr. Western-backed settlement for the province.

With no political settlement in sight, the Russian foreign minister, Igor Ivanov, arrived for discussions with President Milosevic.

Greece and Russia have

close ties to their fellow Orthodox Christian Serbs and lean in their favor on critical foreign policy issues.

Foreign Minister George Papandreu of Greece said he hoped the strong links between Athens and Belgrade might prove useful.

He and Mr. Ivanov are to see Mr. Milosevic on Friday.

After eight hours of talks with the Yugoslav leader on Wednesday, Mr. Holbrooke reported that the Serbs still objected to NATO troops being stationed in Kosovo — a key part of the deal which promises autonomy to the majority ethnic Albanian province.

While Moscow has influence over Mr. Milosevic, it opposes aspects of Western policy such as threats of air

strikes. (AP. Reuters)

### House Sees Dangers

Defying a request by the Clinton administration for a delay, the House of Representatives debated whether U.S. troops should be sent to Kosovo if a peace agreement is achieved. The Associated Press reported from Washington.

Democrats called the timing dangerous, with already-troubled peace talks set to resume in France on Monday, even though the measure before the House is nonbinding.

But the House speaker, Dennis Hastert, Republican of Illinois, took to the floor to open the debate with an impassioned plea for the House to grapple with the issue.

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THE WORLD'S DAILY NEWSPAPER

## Irish Anti-Abortion Violence

Judge Extends Ban on Local and American Militants

By James F. Clarity  
New York Times Service

DUBLIN — A High Court judge Thursday extended indefinitely an order prohibiting anti-abortion militants from picketing or trespassing at the Irish Family Planning Association office in the center of the city.

The ruling came after a group of anti-abortion militants, including about 40 Americans, forced their way into a Dublin family planning office and occupied it two hours on Saturday, re-igniting the highly emotional issue of abortion in this overwhelmingly Roman Catholic country.

The militant groups were not represented in court Thursday, and the prohibition, first granted on Monday, was ordered for an indefinite period.

The chief executive of the planning association, Tony O'Brien, welcomed the decision of Judge Imelda Macken that restrains leaders of the Irish group, Youth Defense, which also had about 40 people at the occupation, and the Christian Defense Coalition, a Washington-based group headed by the Reverend Patrick Mahony.

Mr. O'Brien said the occupation of the office raised fears that American violence and killing in opposition to abortion would spread to Ireland.

The occupation on Saturday, he said, was the first forced incursion into a family planning premises. There were none even during the vehement debate in 1992 as the Irish prepared to vote in a referendum that would have changed abortion law.

"The involvement of extreme American militants is probably the most sinister development in Ireland's long-running abortion controversy," Mr. O'Brien said in an in-

terview, "given the unfortunate history of the issue in America."

Abortion is constitutionally permissible in Ireland in cases of danger to a mother's life, according to a 1992 ruling of the Supreme Court. But there are no legal facilities for such operations and no legal exception in cases of rape or incest.

About 5,000 Irish women go to Britain each year for abortions.

In 1992, voters rejected a proposed revision of the abortion law, some feeling the proposal was too liberal, some saying it was too restrictive.

The family planning association may legally distribute information on the availability of abortions in foreign countries, but it is not allowed to advise women to have the operations.

The revived issue led to scores of phone calls to radio talk shows. Many callers defended the right of the intruders to enter the clinic as a valid tactic to thwart the staff, whom they called murderers. Others said, in effect, that the Americans should go home.

In a live interview, Pat Kenny, one of the country's favorite emcees and the moderator of the main morning talk show on national radio, upbraided the leader of the American group, Mr. Mahony, a Protestant evangelist minister.

"It's not what we want to happen in Ireland," Mr. Kenny said. "That's not the way we do our business."

Mr. Mahony told Mr. Kenny, and hundreds of thousands of listeners, that he deplored violence by the small number of Americans who have used it to advance their campaign. He said the intruders were well-behaved, although he acknowledged that they refused to leave until ushered out by the police.

### BRIEFLY

#### Bomb Chemicals Found In Raid on Basque Villa

PARIS — The police on Thursday discovered 300 kilograms (660 pounds) of chemicals used to make bombs at a villa in southwestern France belonging to one of six alleged Basque militants arrested two days earlier, police sources said.

The sources, speaking on condition of anonymity, said that the police detained, then released, three men initially suspected of a connection with the six.

The police raided an isolated villa in Saint-Andre-de-Seignanx, near Bayonne in southwestern France, and discovered a stash of sodium chlorate, used in making homemade bombs, the police sources said. They also found ETA manuals and internal documents, the sources said without elaborating.

#### Greece Charges Ocalan

ATHENS — Public prosecutors Thursday charged 18 people and the Kurdish rebel leader Abdullah Ocalan with a series of crimes, including endangering the safety of Greece.

Prime Minister Costas Simitis ordered the criminal investigation in an effort to clear his government of responsibility after Turkish agents seized Mr. Ocalan last month outside the Greek ambassador's residence in Nairobi.

Mr. Ocalan's arrest by its archival Turkey was seen as a national humiliation in Greece and led to a political crisis that forced Mr. Simitis to ask for the resignation of three ministers.

#### Bonn Citizenship Deal

MAINZ, Germany — The German gov-

ernment has struck a deal with a small opposition party to secure approval from the upper house of Parliament for a reform of the country's citizenship law, official said Thursday.

Federal Interior Minister Otto Schily reached the agreement in talks with the government of the western state of Rhineland-Palatinate, which is run by a coalition of Chancellor Gerhard Schröder's Social Democrats and the liberal Free Democrats.

At issue is a government bill that would automatically grant German nationality to second generation immigrants. Under the new plan, immigrant children born in Germany would be granted citizenship but must opt for German nationality or the nationality of their parents at age 23. (AFP)

#### Berlusconi Is Cleared

MILAN — An Italian court cleared former Prime Minister Silvio Berlusconi in a tax fraud case Thursday — his first acquittal in a series of prosecutions that already has brought three convictions.

Prosecutors had sought a 16-month prison term for Mr. Berlusconi, the media magnate and conservative Forza Italia party leader, on charges of tax evasion and falsification of financial statements.

The case involved the 1990 purchase of a villa and land on the outskirts of Milan, where he still lives. Prosecutors charged that he underreported the price of the villa to minimize his taxes.

Mr. Berlusconi had earlier been convicted in three separate cases, for illegal party financing, bribery and fraud.

He has consistently denied any wrongdoing in all the cases and portrayed himself as the target of a political vendetta by prosecutors he claims sympathize with the left. He is appealing the convictions and jail terms, which are rarely served in Italy if the sentence is less than two years. (AP)

# VERSACE



## EDITORIALS/OPINION

## Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

## Central America

The last time an American president went to Central America was 1982, when Ronald Reagan visited Honduras and Costa Rica. That year was one of the bloodiest for El Salvador and for Guatemala, where a truth commission recently labeled 1982 as a peak period for what it termed the military's "genocide" of Mayan Indians in the civil war. But Mr. Reagan praised the military leaders of both nations and spent billions in lethal aid to their governments and the Nicaraguan contras.

This week Bill Clinton is visiting a very different Central America and carries a very different message. His trip is a belated recognition of the region's progress and importance to the United States. But Washington's support for past wars is not being matched by its support for peace today.

In El Salvador and Guatemala, UN-sponsored peace agreements have brought former guerrillas into politics and commended the governments to social reforms. Mayan Indians, the marginalized majority in Guatemala, now serve in Parliament and as local mayors. In El Salvador the party of the former guerrillas lost this week's presidential election but was able to campaign freely. The Sandinistas in Nicaragua won the war but lost at the ballot box, and stepped down in 1990.

The conflicts are over, but Central America has essentially remained in the conditions of misery and inequality that caused the wars to begin with. While El Salvador has experienced

steady economic growth, poverty in rural areas remains unchanged. In Nicaragua, the poor are worse off than at its war's end. Huge debts have kept the region from spending money to fight poverty. Nicaragua, for example, pays 11 times more in debt service than it spends on health care each year.

Many of the postwar governments' new police or judicial systems have not solved the underlying problems that made these bodies responsive mainly to the rich and powerful. Local governments admit that free market changes have so far mainly served the urban wealthy and middle class. Last year the region suffered its worst natural disaster in the century in Hurricane Mitch, which will set back development in Honduras and Nicaragua for decades.

Mr. Clinton's visit, important as it is, is a missed opportunity. He is doing out his celebrated compassion, but little in the way of money. A billion dollars in post-hurricane aid is being held up in Congress. The administration should allow the quarter-million immigrants who fled the wars in El Salvador and Guatemala to stay in the United States. It must forgive the debt burdens that were already crippling the countries most devastated by the hurricane, and try to persuade international lending institutions to do the same. Washington spent billions of dollars in the 1980s on wars in Central America. It should now increase its commitment to supporting peace and prosperity.

—THE NEW YORK TIMES

## Consensus on Kosovo

It is a bad time for Congress to debate whether the United States should send troops to help police any peace reached in Kosovo. But there is no better time left, and Congress has good reason to proceed. The Clinton administration is consumed by a fear that the president will be repudiated by Congress even as negotiations to deliver Serbs and Kosovars to a settlement are in train. It would send a signal of weakness and could well invite the contending Balkan parties to move into a higher military gear.

Such a vote, however, would also put directly on Congress the burden of cutting off a developing American political/military initiative. Congress would be taking on itself a grave responsibility, but it also would be doing what it presumably thinks is the right thing — bending off American participation in an operation of uncertain costs, dimensions and results before things get worse.

We happen to think that the foreign policy considerations — meaning the additional killing and violence, the

possible further expansion of the war, and the issues of American and NATO credibility — require and justify careful American participation in a second NATO peacekeeping force. We think that the stakes are sufficient to make it highly desirable that the president's policy be supported by a strong bipartisan vote in Congress. The president ought to be asking for congressional approval, not trying to evade a congressional judgment on his policy in Kosovo.

Otherwise Congress will find itself in the familiar position of evading its constitutional responsibility to participate in a timely and meaningful fashion in making American intervention policy, and complaining sourly about it later. The president will find himself either repudiated, in which case everyone will know where the responsibility lies, or supported, in which case his policy will be much the stronger for it. It takes a bold decision for Bill Clinton to bring Congress in as a partner in Kosovo, and he should not shy away from it.

—THE WASHINGTON POST

## Now Elizabeth Dole?

A woman running for president of the United States is not a breakthrough. Victoria Woodhull was a minor-party candidate before women had the right to vote, and elected officials like Margaret Chase Smith and Shirley Chisholm have made long-shot bids for the nomination. But Elizabeth Dole is still making history as the first woman to enter the presidential primary season as one of the front-runners. She took another step toward a full-fledged candidacy for the Republican nomination on Wednesday when she announced that she had formed an exploratory committee.

The Republican Party has long had a "gender gap" problem with women voters, and Mrs. Dole is marketing herself as a gap-bridger who can moderate the harsh, confrontational tone that women find particularly disturbing in Republican policies and rhetoric. But Governor George W. Bush of Texas is tilling that field, too, with his "compassionate conservatism."

One challenge in evaluating Mrs. Dole's candidacy is not to cut her too much slack simply because America has waited so long for a woman to make a serious run for president. She deserves to be judged in comparison with her opponents, not with an ideal. She would probably not be in her present position if she were not the wife of Bob Dole. But then Mr. Bush might be just one of a pack of appealing Republican governors if he were not the offspring of a former president.

Mrs. Dole has never run for office, except in the role of supportive spouse. But Mr. Bush has no experience in Washington, except in the role of first

son. Mrs. Dole does have a solid résumé as a former cabinet official, which makes an interesting contrast to Mr. Bush's experience in state government. Is the public still tired of Washington insiders, or is it looking for a president with experience in making the federal government work?

Mr. Bush has made clear that he does not intend to take any out-of-office political stands until the Texas state legislature ends its session in late spring. That will be a problem for Mrs. Dole, who risks looking insubstantial if she speeds all that time campaigning on generalities and trying to play it safe. The downside of all this new positive publicity is its occasionally goody tone. Mrs. Dole needs to start speaking frankly to the American people about her ideas on taxes, education and abortion issues like abortion and American-Chinese relations.

As a woman, she will have to put up with a special kind of scrutiny. Critiques of her appearance, wardrobe and style will go far beyond anything her male opponents will have to endure. That is unfortunate but inevitable, since she is taking the public on a shakedown cruise, acclimating it to what will inevitably be a long line of women presidential candidates in the future.

The women who are moving up the political ladder behind her may be able to enter the competition on a more even basis because Elizabeth Dole got the public used to the idea of seeing a woman running for the White House. If that happens, her own candidacy will be a success no matter who winds up as the Republican nominee next year.

—THE NEW YORK TIMES

## Between America and Europe, the Mooring Is Firm

By Flora Lewis

PARIS — Arguments about the future of NATO are coming to a head as the allies work out a "new strategic concept" to be proclaimed at 50th anniversary celebrations in Washington next month. Trans-Atlantic relations appear to be in another bad patch, particularly because of sharpened trade disputes and the banana war.

Cold War pressures for political solidarity to overcome commercial quarrels no longer assure a reasonable compromise before much more damage is done. It has been noted. The argument should be turned the other way around. Without the security incentive as an excuse, both the United States and Europe should see even more clearly the importance of mutual relations for world economic health, especially given still unresolved crises.

Even as quarrelling grows acute over the specifics of the NATO doctrine, three essentials have become clear beyond further question.

One is that NATO must continue. Everybody involved still considers it necessary. That was not at all the case less than a decade ago after the Soviet Union collapsed. Many predicted that NATO would come to be seen as obsolete, a burden of obedience to America for the Europeans, a drag of expensive and unrequited obligation for

the Americans. That has not happened.

The second is that NATO's role has changed, and that NATO must be prepared to respond to security problems beyond the geography set down in the Washington treaty. The late NATO Secretary-General Manfred Wörner kept repeating "Out of area or out of business" to those reluctant to see the alliance transcend its initial limits.

There is now an intense controversy, primarily between Washington and Paris, over how to define NATO's expanded role and whether it should consider itself a kind of autonomous world policeman or depend on mandates from the UN Security Council. But the dispute is about how and how far to go "out of area," not whether NATO should be confined to territorial defense.

The new threats are recognized as not necessarily about protecting borders — crime, terrorism, spread of weapons of mass destruction. The new goal has been called "cooperative security." It does not require the designation of a specific enemy.

The third essential agreement is that the trans-Atlantic bond must be maintained, that America remains a European power because the security, sta-

bility and prosperity of Europe are its vital national interest, and that Europe needs America not only for support but to provide the initiative that its lack of structural and political unity prevents it from generating.

These are the foundations, and they are not being challenged.

Therefore, attention is shifting to working out relative responsibilities in the new circumstances, which also include NATO enlargement to the east and European Union attempts to achieve a "defense identity" now that the EU has reached monetary integration for most of its members. The positions are not so far apart as the shrillness of the arguments makes it sound.

The United States no longer assumes that a European capacity to organize defense operations without U.S. leadership would weaken NATO. France no longer asserts the illusion of its need for "independent" defense, and indeed now argues that "multilateralism" is the best way to resist U.S. hegemony.

British Prime Minister Tony Blair has proposed what could become a useful compromise position providing for European action where the United States is not keen to bear the brunt, as in Kosovo for example, but in a way that maintains the political partnership.

When you look closer, the problems

are more money and hardware than principle. European defense budgets have been cut dramatically without, except for Britain, being redirected for new needs of equipment and capacity to project force.

As a result, with a professional army smaller than the French or German, Britain can send more troops on outside missions. France is gradually transforming its force, but there is not yet a joint European capacity to manage without a U.S. contribution.

From the U.S. point of view, the Blair approach would be a step toward "burden-sharing." A more organized European defense policy establishment would make consultations easier for the United States. Meanwhile, Washington complains about European reluctance to invest in advanced weaponry compatible with new U.S. equipment.

There are layers of domestic economic and political problems beneath what appear as organizational controversy in European-U.S. relations. They will not all be resolved in time for the Washington summit. But they need not be a menace to a productive common future if the disputes of the moment are not allowed to obscure the underlying understanding.

Flora Lewis

'This Is Certainly Not the Liberated Europe We Sought to Build Up'

Poland, Hungary and the Czech Republic become members of NATO at a signing ceremony this Friday in Indianapolis, Missouri. It was in Missouri, at Westminster College in Fulton on March 5, 1946, that Winston Churchill delivered his famous warning to the democracies of the Soviet Communist menace ahead. Here are excerpts from that speech:

Ladies and gentlemen, the United States stands at this time at the pinnacle of world power. It is a solemn moment for the American Democracy. For with primacy in power is also joined an awesome responsibility to the future. If you look around you, you must feel not only the sense of duty done but also you must feel anxiety lest you fall below the level of achievement.

A shadow has fallen upon the scene so lately lit by the Allied victory. Nobody knows what Soviet Russia and its Communist international organization intends to do in the immediate fu-

ture, or what are the limits, if any, to their expansive and proselytizing tendencies.

We welcome Russia to her rightful place among the leading nations of the world. It is my duty however, to place before you certain facts about the present position in Europe.

From Stettin in the Baltic to Trieste in the Adriatic an iron curtain has descended across the Continent. Behind that line lie all the capitals of the ancient states of Central and Eastern Europe. Warsaw, Berlin, Prague, Vienna, Budapest, Belgrade, Bucharest and Sofia, all these famous cities and the populations around them lie in what I must call the Soviet sphere, and all are subject in one form or another, not only to Soviet influence but to a very high and, in some cases, increasing measure of control from Moscow.

The Russian-dominated Polish government has been encouraged to make enormous and wrongful inroads upon Germany, and mass expulsions of millions of Germans on a scale grievous and

undreamed of are now taking place.

The Communist parties, which were very small in all these eastern states, have been raised to prominence and power far beyond their numbers and are seeking everywhere to obtain totalitarian control. Police governments are prevailing in nearly every case.

At the end of the fighting last June, the American and British Armies withdrew westward, in accordance with an earlier agreement, to a depth at some points of 150 miles upon a front of nearly 400 miles, in order to allow our Russian allies to occupy this vast expanse of territory which the Western Democracies had conquered. If now the Soviet Government tries, by separate action, to build up a pro-Communist Germany in their areas, this will cause new serious difficulties in the American and British zones.

Whatever conclusions may be drawn from these facts — and facts they are — this is certainly not the Liberated Europe we fought to build up. Nor is it

one which contains the essentials of permanent peace. The safety of the world, ladies and gentlemen, requires a new unity in Europe, from which no nation should be permanently ousted.

Twice the United States has had to send several millions of its young men across the Atlantic to find the war; but now war can find any nation, wherever it may dwell between dusk and dawn.

Surely we should work with conscious purpose for a grand pacification of Europe. I repulse the idea that a new war is inevitable; still more that it is imminent. It is because I am sure that our fortunes are still in our own hands and that we hold the power to save the future, that I feel the duty to speak out now that I have the occasion and the opportunity to do so.

From what I have seen of our Russian friends and allies during the war, I am convinced that there is nothing for which they have less respect than for weakness, especially military weakness.

International Herald Tribune

Washington Should Try Engagement With Pyongyang

By Donald P. Gregg and Mitchell B. Reiss

NEW YORK — As the United States continues to spar with North Korea over access to the North's suspected nuclear weapons site and having it constrain its ballistic missile program, a set of more fundamental concerns has recently surfaced. Can the outside world do business with North Korea? If so, does Washington need to change its approach in dealing with this reclusive and difficult regime? In both cases, the answer is "yes."

South Korea, under President Kim Dae Jung has successfully launched a "sunshine" policy toward the North promoting broad economic engagement and pushing inter-Korean exchanges and cooperation. Military and security issues are handled on a separate track.

North Korea has shown modest but encouraging signs of accommodating the South.

More South Koreans visited the North in 1998 alone than in the previous decade, and more than 100 separated families had reunions. Small and medium-sized firms are exploring investments in the North.

Official North-South dialogue has taken place in Beijing and at Panmunjom. Recently, the North proposed holding "high-level political talks" with the South. None of these developments would have been predicted a year ago.

North Korea has cooperated with the international organization charged with carrying out an October 1994 nuclear deal. In the past four years the Korean Peninsula Energy Development Organization, KEDO, has entered into dozens of agreements with Pyongyang to construct two nuclear power reactors to

generate electricity in the North.

These have included unprecedented arrangements, such as mapping direct transportation routes to deliver workers and components to the site.

Pyongyang has stuck by these agreements, even though KEDO has been late in fulfilling its commitment to deliver heavy fuel oil to the North for two years running, and has yet to finalize either the financing for the project or the construction contract with the South Korean utility that is building the two power plants.

Washington needs clear objectives. Unfortunately, one has to go back to the Vietnam War to recall a time of greater tension between the White House and Congress. The hostile and heavy partisan environment that today characterizes Washington

proach closely with Seoul, Tokyo and Beijing as it moves forward with Pyongyang.

South Korea will solidify back this approach, since President Kim has consistently advocated improved U.S.-North Korean relations on the basis of a comprehensive deal. Seoul's self-confident approach should reassure Clinton administration critics who are reluctant to see the United States sit down and negotiate with Pyongyang.

Bargaining with the North is never easy, and this agenda will be especially difficult. Washington can expect hard bargaining, with Pyongyang trying to hedge its bets, drag out the talks and keep all options open.

Delay is not in Washington's interest, nor in the interest of peace and security in Northeast Asia. The United States has clear diplomatic, economic and military superiority over North Korea. After testing the North's willingness to forge a new and more stable relationship with the outside world, the United States must be prepared to take "no" for an answer and walk away from the table.

Both sides have much to gain by reaching a comprehensive agreement. The North has much more to lose if the current stalemate and suspicion continue.

Mr. Gregg is president of the Korea Society and a former U.S. ambassador to South Korea. Mr. Reiss is senior policy advisor to the Korean Peninsula Energy Development Organization. They contributed this comment to the International Herald Tribune.

Stop Backing African Dictators

By Makau Mutua

CAMBRIDGE, Massachusetts — The recent massacre of eight Western tourists in Uganda was a horrible event, but the response of the Ugandan and Rwandan governments has been just as chilling. Uganda's president, Yoweri Museveni, who came to power in a coup in 1986, vowed to kill the suspects on sight, even before their guilt was established.

Several days later he announced that Rwandan and Ugandan forces had killed 15 Hutu militiamen. With the tacit approval of the United States and Britain, Mr. Museveni has suspended all human rights for Hutu in the troubled area.

It took the deaths of the Western tourists to focus attention on atrocities being committed in the region. Hundreds of African lives are being lost each day because of a conflict that pits Congo (formerly Zaire) against predominantly Tutsi rebels who are backed by the governments of Uganda and Rwanda.

The United States has a history of backing African dictators. Mobutu Sese Seko of Zaire and Samuel Doe of Liberia were darlings of the West, just as Mr. Museveni of Uganda and Paul Kagame, the de facto head of state in Rwanda, are now.

Like Mr. Mobutu from the 1960s to the mid-'90s, Mr. Museveni, whose country the World Bank and the IMF are trying to make a success story,

has become the policeman for American interests in East and Central Africa. The United States has extolled him as a model leader.

Mr. Kagame and his minority Tutsi government owe their power to Mr. Museveni. Now the United States is assisting their campaign to overthrow another despot, President Laurent Kabila of Congo.

Despite support from the West, Mr. Museveni is facing a long-standing insurgency at home, and Mr. Kagame rules a country that is more than 80 percent Hutu. It is only a matter of time before the Hutu, many of whom fled to Congo after the mass Hutu killings of Tutsi and moderate Hutu in 1994, recapture power in Rwanda — unless a democratic power-sharing arrangement can be worked out between the Hutu and the Tutsi. In the past couple of years, Hutu rebels have overrun prisons and other government installations in several parts of Rwanda.

But Mr. Museveni and Mr. Kagame want the West to believe that they can exert effective control in the region and that Western aid should be increased.

Mr. Museveni's message to the suspected killers seems clear: For every white tourist's life taken, his government will take dozens of Hutu lives. But his crackdown, far from pacifying the region, can

only lead to more violence.

Mr. Museveni is not the only one responsible for the current crisis. Tour operators and the Western countries should not have allowed tourists to travel to the vortex of the Central African conflict. Just imagine tourists traveling to Kosovo today, or to Bosnia during its civil war.

In Rwanda, we cannot ignore the fact that the Hutu make up the vast majority of people, and that the country belongs to them no less than to the Tutsi. American support is not enough to re-establish exclusive Tutsi rule. And revenge executions of Hutu suspects are no answer, either.

The killers of the tourists should be apprehended and tried in Ugandan courts. The United States cannot, by its acquiescence, appear to tolerate violations of human rights by the Rwandan and Ugandan governments even as it calls on China and other countries to respect them.

In the long term, the United States should support African-led efforts for a settlement between Mr. Kabila and the predominantly Tutsi rebels, along with the withdrawal of all Ugandan and Rwandan troops from Congo. Only a multinational peacekeeping force can secure the borders of all three countries.

The writer, a visiting professor at Harvard Law School, contributed this comment to The New York Times.

1899: Jealous Norway

CHRISTIANIA — The Crown Prince will not allow the Norwegians any "independence." He has decided that Sweden and Norway will send only one representative to the peace congress. This representative will probably be a Swede and act on behalf of "His Majesty's Government," contrary to the old custom of using the title "the King of Sweden and Norway."

These trifles are causing a great deal of unpleasantness among the Norwegians, who are jealous of anything that is Swedish.

1924: Door to Tibet

PARIS — [The Herald says in an Editorial:] Among the remarkable events of this age none is more so than the incipient change which has declared itself in Tibet. Several explorers have penetrated to its interior and a British engineer got so far

as Lhasa, the "forbidden city," and there had an interview with the Dalai Lama. A telegraph line connecting Lhasa with India is in course of construction, and a moving picture man has taken into the country films representing the life of the outer world.

1949: Phonetic English

LONDON — Dr. Mont Follick's bill to scrap the present English language and introduce phonetic spelling nearly got through the House of Commons. "This streamlined alphabet would make it unnecessary for children at school — even to waste time on diction, spelling or even reading," Dr. Follick asserted. Sir Alan Herbert said: "This scheme contains o's with dots over them and squiggles through them and a's written upside down. A page of this print would look like a very old cheese under a very powerful microscope."

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## Cape Verde, for Adventure

By Patricia Beeson

**M**INDELO, Sao Vicente — Once a major refueling stop for ships traveling between the North and South Atlantic, the Cape Verde archipelago is little known to most tourists.

About 565 kilometers (350 miles) off the coast of Senegal in the Atlantic Ocean, the republic's nine inhabited volcanic islands vary from flat and sandy to towering and craggy to lushly semitropical, or all three.

The Portuguese, arriving on the empty islands around 1460, made them a trading center for African goods and slaves brought from the mainland. There was extensive intermarriage, resulting in an African-Portuguese culture; Portuguese is still the official language nearly 24 years after independence, though Crioulo, a Portuguese-African mix, is the vernacular.

My husband, John, lived in what is now the Republic of Cape Verde until he was sent to school in England at age 8. A little more than a year ago, we returned for a week-long visit to his childhood haunts in Mindelo, on the island of Sao Vicente. Once one of the world's busiest ports, Mindelo was largely run by the British until the 1950s, when the community departed as shipping declined.

An earlier English visitor, Sir Francis Drake, attacked the largest island, Sao Tiago, in 1585. Another, Charles Darwin, made an intensive study of the islands' flora and fauna.

Cape Verde is still for the adventurous. As tourism is relatively new and on some islands barely exists, comfort levels can vary widely. So visitors should leave Western standards at home, along with high heels (most roads are flat cobbles), and, in less developed areas, expectations of hot water and modern plumbing.

Surprises may result from the vagaries of TACV, the national airline, which constantly changes schedules. But "it's a lot better than it was," said Veronica Carvalho Martins, a Cape Verdian who is the commercial assistant at the U.S. Embassy in Praia, the capital. The airline

is also occasionally vulnerable when the trade winds, which usually blow steadily from the northeast, grow stronger, causing delays. Usually they temper heat and afford idyllic weather, but from January through March, they are augmented by the harmattan winds off the Sahara, creating bazy conditions.

Peter Swavely, deputy chief of mission at the U.S. Embassy, considers September and October, the end of the rainy season, the prettiest time. "The desert transforms to green," he said.

But too often there's not enough rain, resulting in crop failure and hardship. Cyclical drought in the Cape Verdes is a fact of life, and in the past, it meant death, inspiring large-scale emigration, particularly in the late 19th and early 20th centuries.

Though the cities of Mindelo and Praia are growing (and with them, a small middle class employed in the government and in the air traffic and maritime services), more than half the population is still rural and desperately poor. Lack of water and arable land limits farming. Fishing employs around 8,500 people, and tourism is developing. Foreign business people, mostly Europeans, may be seen in the principal hotels and restaurants in the cities.

### GARDEN AND MARKET

Praia, a small city of 80,000 on the island of Sao Tiago, is a strange, uncohesive place, a mostly new government town, full of half-built, duncolored houses. The most interesting section is the main downtown area, called the Plato (plateau), high above the north end of the harbor. In 1832, Darwin noted the wide square overlooked by an unremarkable cathedral, which still stands today. Here, also, are the Palacio da Republica and its handsome garden, and the market to which women from the countryside bring live chickens and spices, cheeses, dried fish and oranges.

The Praia-Mar, the hotel where we stayed in the affluent area of Praia, is pleasantly situated on a low cliff by the sea, with a huge seawater pool. Pebbled paths link the blocks of rooms dispersed around its lush garden. Fresh water is a

precious commodity. Praia and Mindelo obtain much of their supply by desalinating seawater, but imported oil powers the process, making it exceptionally costly.

We started our explorations by driving two hours on a winding road to Tarrafal, at the island's north end. You can go by minibus or taxi, as we did, via the dramatic central spine of the island, returning by the flatter east coast road. We had decided to rent a beach bungalow for two nights. "Watch out for the monkeys," warned Veronica, not altogether joking.

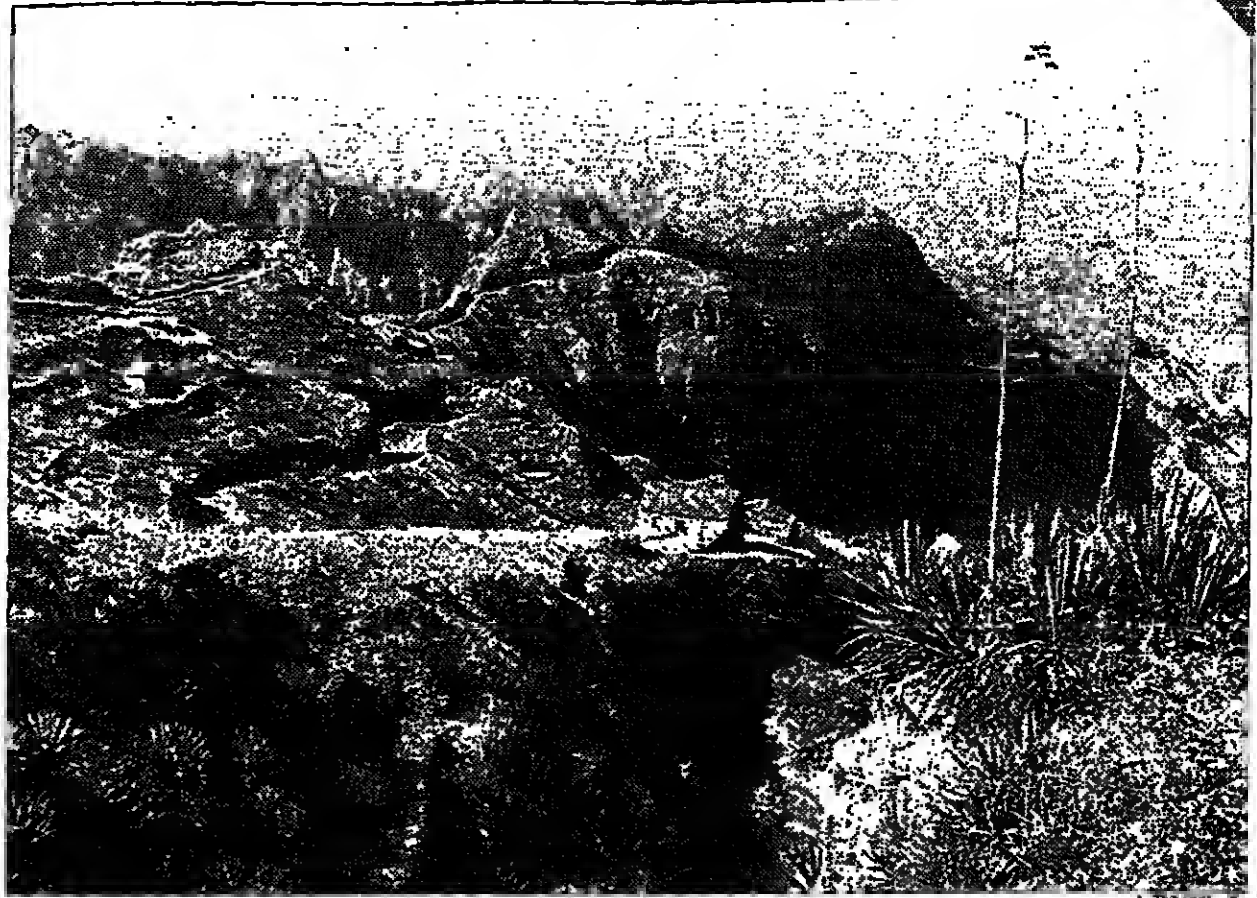
Initially the road ran through mostly flat terrain, greened by some of the millions of acacias being planted every year to stabilize the soil in desert areas and hillsides. After the village of Ribeirao Chiqueiro, the road began to rise and wind through towering, jagged crags and plunging valleys cloaked in corn and sugar cane. The greenness made it almost incomprehensible that the corn crop was failing from lack of water.

Somewhat scruffy little villages, often exploding with purple and scarlet bougainvillea, brimmed with friendly families, pigs and chickens. Tarrafal, a fishing village in awkward transition to a resort, is rather marred by half-built vacation homes. A handsome beach runs north from the village, below a cliff. Steps lead down to the stone bungalows where we stayed, called the Baia Verde, in a palm grove edging the beach.

And there were the monkeys, with graceful long tails and preoccupied faces, playing between the palms.

The attractive Hotel Tarrafal, which opened 18 months ago near the town's old stone jetty, has an almost clinically white decor and a pleasing dining room. It is patronized by foreigners and well-heeled Praians. You can also eat at its polar opposite, owned by the Baia Verde, a modest, thatched restaurant, which is noisy, fun, and crowded on weekend evenings.

In general, the food, which is European-influenced, tends to be somewhat bland, except for some of the local dishes such as goat stew and roast kid. Cape Verdian lager is excellent, and fish is superb. Pineapple and *pidin* (creme caramel), are popular desserts. *Cachupa*



Santo Antao, a rough, hourlong ferry ride from Mindelo, is a paradise for hikers.

resembles cassoulet, made with corn, beans and various meats. It's tasty and filling at breakfast too, served with fried eggs and ham.

**BARE VOLCANIC ISLE** Our next port of call was Sao Vicente, John's island. This bare volcanic isle, its hills flaunting uncanny hues of burnt sienna, ochre, terra cotta and sage, shadowed in navy blue, has a beauty all its own. The air strip where our half-hour TACV flight landed between two barren ranges could have been in the Middle East. But as we drove into Mindelo, population 50,000, we saw groves of acacia flanking the road. The bay, with its twin headlands, yachts, ships and oil storage tanks, opened up ahead of us.

Unlike Praia, Mindelo, hub of Cape Verdian intellectual and cultural life, is fairly compact and feels like a real town.

A fine view of it can be had from the empty prison on top of Miradours Hill. A road runs near the water, past the fish market and the bold silhouette of a scaled-down 1920s version of Lisbon's medieval tower, the Belem. Halfway along it passes the French Cultural Center with its wrought-iron balconies.

From the esplanade, a wide street leads to the central square, where we saw the magical 19th-century Pink Palace, once the Portuguese governor's residence but now Sao Vicente's council offices. And behind it, John recognized his old home, a simple Georgian-style house, which might have strayed from an English country town.

Our hotel, the Aparthotel Avenida, had lots of somewhat depressing mahogany-stained wood and a gloomy goldfish circling an aquarium on the long stairway up to our room. But it was central, with a

view of the esplanade and harbor, and cheaper than the nearby large, newly renovated Porto Grande Hotel.

Santo Antao, an island that is a rough, hourlong ferry ride from Mindelo, is a paradise for hikers. The truly fit, armed with good directions, can be dropped off by minibus on top of the mountain, to walk down the Paul River valley via Passagem, to the coastal village of Paul, one of the loveliest trails. Or you can go up to Passagem by minibus. Tropical fruits grow thickly along the valley; butterflies flutter around wild gardenias, and there's scarcely a tourist in sight.

As yet, polishing is needed before the islands will draw the less resolute tourist. For now, these rough diamonds remain a largely undiscovered treasure.

Patricia Beeson, a writer in Toronto, wrote this for *The New York Times*.

## Tourism vs. Preservation at Amazing Angkor

Rewards and Risks  
Of Seeing a Wonder

By Mia Turner

**S**IEM REAP, Cambodia — When he first saw the temple of Angkor Wat rising out of the jungle of Cambodia, the French explorer Henri Mouhot was transfixed. "Ah, if only I was as talented with the pen of a Chateaubriand or a Lamartine," Mouhot wrote in 1869, "or with the paintbrush of a Claude Lorrain, then I could make known to my artistic friends how grand and beautiful are these incomparable ruins, the only remains of a people who are no more."

The magic of the 259 temples on a 40-square-kilometer (15-square-mile) wooded area around the northern town of Siem Reap holds a visitor in thrall. And thanks to the return of peace to this war-torn land, more people than ever can now experience it. Siem Reap has more visitors coming now than at almost any time in nearly 30 years.

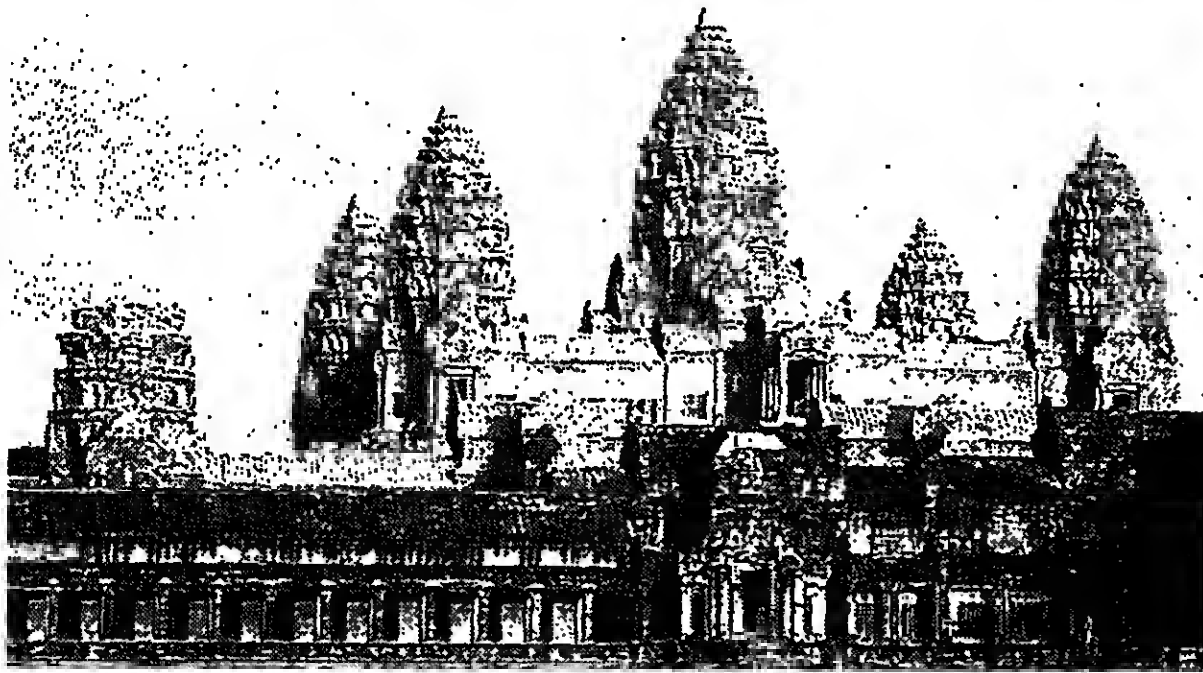
For the first time since the 1970s, hotels and guest houses here boasted 100-percent occupancy rates during last month's Chinese New Year, a traditional time for travel in Asia. The 18-room French-designed Angkor Village was fully booked weeks in advance. The luxurious 131-room colonial-era Grand Hotel has been charging more than \$310 a night and getting it.

The explosive influx of tourists to Siem Reap is a change few could have foreseen last summer when Cambodia's fragile stability seemed yet again on the brink of collapse. Critics of Cambodia's elections on July 26 accused the government of electoral fraud. In August unidentified assailants threw a grenade outside the Interior Ministry in Phnom Penh, killing the Cambodian driver of a Japanese news agency.

But after establishing his government in November, Prime Minister Hun Sen has managed to make peace less illusory. He is gaining ground as he wins support internationally and domestically. "People are tired of the war. They want peace in order to get on with their lives," said a Western aid worker in Phnom Penh. "Finally there is a government with one person in charge and finally they can think of reconstruction."

**MYSTICAL MONUMENTS** Those who visit Angkor are rewarded with breathtaking tours of monuments as mystical and extraordinary as the ancient Mayan city of Chichen Itza in Yucatan, Mexico, or the Incan remains of Machu Picchu in the Peruvian Andes. But like Peru, Cambodia has had its share of bad press — deservedly, some would say. The most recent guidebooks on the country do not inspire confidence.

Warnings about land mines, kidnappings, robberies and political instability share space with hotel listings, restaurant reviews and other travel advice. Indeed, the remains of war, including the millions of land mines, are real enough dangers, as the numbers of damaged people show. Travelers must contend with the uncomfortable feeling that they are taking a risk. Rising and falling tourist figures are a barometer of



The main temple of Angkor Wat rising out of the jungle at Siem Reap. Peace has ushered in the tourists.

political instability. The number of visitors plunged by 43 percent in 1997, when the country was shaken by Hun Sen's coup against his co-prime minister, compared with a phenomenal 231 percent rise in 1994 — in the aftermath of the signing of the 1991 Paris Peace Agreement and the arrival of UN soldiers to help implement it.

The death in 1998 of the Khmer Rouge leader Pol Pot, the surrender last December of his two leading deputies, Khieu Samphan and Nuon Chea, and the establishment of the current government have helped to put Cambodia, and in particular Angkor, back on the tourist map. In November, 2,094 visitors arrived in Siem Reap, double the number from the same period a year earlier. The boom is fueled by an agreement with Thailand that allows direct daily flights to Siem Reap from Bangkok.

Yet the anticipation of more tourists has given rise to concerns about preservation. While most of the temples have gatekeepers and some even have "no touch" signs, most tourists ignore them. The United Nations Educational, Scientific and Cultural Organization has presented a "zoning and environmental management plan" to the government that stresses the importance of "controlled tourism." They have yet to see a response. "We think there are more relics underground, so we are encouraging the government to make sure that no hotels go up near the temple areas," said Sam

Rithy, administrative assistant for UNESCO's Siem Reap office. "UNESCO has no power to protect these areas. This is the power of the royal government."

But UNESCO is not the only one worried. Foreign governments are giving generous support to preserving this piece of the world's heritage. In 1994, for instance, Japan began a four-year project to restore the Northern Library of the Bayon temple.

Since 1995 members of the University of Applied Sciences in Cologne, Germany, have been working on preserving 1,850 bas-reliefs in the Angkor Wat temple. Italy has sent structural engineers, like Vittorio Gallinara, to find ways to prevent the towers of Pre

Rup, a 10th-century temple, from falling down. Gallinara said the removal of jungle growth has created a danger that the uncooked bricks will crumble.

**F**OR Chan Sok Thoun the preservation of Angkor Wat is more than an issue of heritage. As one of more than 300 tour guides, it is his livelihood. But it was also his playground as a child. "During the Khmer Rouge period few tourists came and the temple's corridors were ours to play in," he said.

Monuments to religion like Angkor Wat had no place in the Khmer Rouge's ideology. "The temples were not destroyed, but they were not restored either," Chan says. Instead, during the Khmer Rouge period (1975-1979) relics from this historic site reportedly found their way into the hands of overseas buyers.

After a previous peace accord signed in Paris in 1991, Cambodia's King Sihanouk made the preservation of these magnificent temples a priority, and in late 1992 UNESCO declared the Angkor monuments a World Heritage site. Today Chan has turned his familiarity with them into a profession. Trained by UNESCO, Chan leads his visitors through the 15 sites now open to the public, recounting the tales of Khmer kings who once ruled this stone citadel.

Mia Turner works for Time magazine in Beijing.



A bas-relief on a temple exterior.

### MOVIE GUIDE



From left, Benza Gayheart and McGowan in "Jawbreaker."

#### JAWBREAKER

Directed by Darren Stein. U.S.

In Darren Stein's "Jawbreaker," the nasties are back. I refer to those high-school princesses whose stiletto heels have trod on the sensibilities of all geeks, freaks and lowlives in such comedy-horror flicks as "Carrie," "Heathers," "Clueless" and "Wild Things." But, in "Jawbreaker" at least, the hissable beauties seem to have lost their girl power. Stein, who grew up on the back-slapping fantasies of John Hughes, Wes Craven and Brian DePalma over the last 20 years, creates four (or five) fearsome princesses, who terrorize their fellow students with all the familiar tricks and traps, but he brings nothing new to the table. Meet "the Flawless Four," Reagan High School's hottest, most exclusive girl clique. Courtney (Rose McGowan) is the group's nasty leader; her slavish followers are Marcie Fox or "Foxy" (Julie Benz), Courtney's inexhaustible suckup; Julie (Rebecca Gayheart), who's unfortunately burdened with a conscience, and Liz (Charlotte Roldan), the nicest member of all who gets the worst birthday surprise of her life. On the morning she turns 17, Liz is awakened by masked intruders (her three friends in disguise) who truss her, shove a jawbreaker into her mouth, gag her and toss her into the trunk of their car. But when they pull up to the restaurant, where they plan to treat Liz to birthday pancakes, they find the group has dwindled to three. It seems poor Liz didn't chew before she swallowed. Stuck with a stiff, Courtney takes charge. They return Liz to her bedroom, intending to stage a rape scene. But Fern Mayo (Judy Evans Greer), a school geek, arrives in the wrong place at the wrong time and Courtney has a witness problem. Why sit through a lesser imitation, when you could just rent those other movies for a far more enjoyable time? (Desson Howe, WP)

quite well here with the more complex character of the monitor, a sometime bumbler forced to rise to the danger around him. He is ably guided in the plot by his crafty and hilarious anarchistic grandfather (Luis Cuenca). The monitor's youngish aunt (Adriana Ozores), who runs a boarding house where much of the action transpires, delivers an impressive performance as a strong woman who faces adversity. Her role helps the director capture the complexity of human emotions during war — terror, guarded humor, hope against hope. The protectors of the Goya portrait, including the monitor's hard-luck girlfriend (Leonor Watling), must outwit Franco loyalists who are sowing discord in Madrid. They make repeated references to Goya and his majestic canvases that depicted the horrors of war. But the film, which has an engrossing rhythm and richness, stunts its toe at the finale, which stretches credibility and is not quite a match for the earlier sections. (Al Goodman, JHT)

#### LOCK, STOCK AND TWO SMOKING BARRELS

Directed by Guy Ritchie. U.K.

Guy Ritchie's brash, ebullient direction of his first feature, "Lock, Stock and Two Smoking Barrels," makes it very obvious that he boned his style making music videos and commercials. And for once that doesn't hurt. The punchy little flourishes that load this gangster film with attitude are perfectly welcome, because there's no honest, substantial part of the movie they can hurt. Ritchie makes a fine feat of macho gamesmanship out of the way four sets of East End London crooks keep outsmarting one another. And if that means having them all arm for battle while the "Zorba the Greek" theme music heightens the intensity of the moment, well, why not? Touches like that, along with flashy, random shifts of film speed and a true rogues' gallery of striking if one-note characters, do hold interest. The commercial aspects also deflect attention from the fact that this story has almost no center at all. The closest it comes to heroes are the four savvy young con men whom the film introduces first. Ritchie brings on Eddie (Nick Moran), Tom (Jason Flemyng), Bacon (Jason Statham) and Soap (Dexter Fletcher) as if they were the "Training" crew, but the story soon begins to lose them in the shuffle. With a big debt to "The Usual Suspects" and "Reservoir Dogs," Ritchie revels in the sheer knottiness of all the scheming. He makes it lively while it lasts and empty when it's over. (Janet Maslin, NYT)

سكربتات الأصلية



# GOOD TRAVEL DEALS

<b>AIR NAMIBIA</b>	London to Cape Town/Johannesburg	Round-trip from London Heathrow to Cape Town or Johannesburg for £181 (\$290). Conditions apply. For departure before March 30. Travelers (44-171) 938-3366.
<b>AIR NEW ZEALAND</b>	Singapore	Singapore stopover promotion allows travelers in Thailand, Indonesia, Brunei, India, Sri Lanka, the Philippines and China with a round-trip ticket to New Zealand via Singapore to claim a one-night stay for a symbolic \$1 at the Copthorne King's Hotel, Copthorne Harbour View or Copthorne Orchid Hotel in Singapore. Until June 30.
<b>AIR NEW ZEALAND</b>	Hong Kong to New Zealand	Business-class passengers can claim a free round-trip transfer to Chep Lap Kok Airport. Until June 30.
<b>BRITISH AIRWAYS</b>	Britain to United States	Round-trip London Heathrow to New York JFK or Newark from £199 (\$318), including tax. Miami from £208; Phoenix from £300. Must book by March 31 for departure before April 30. (44-141) 222-2345.
<b>BRITISH AIRWAYS</b>	United States to Europe	U.S. Executive Club members who buy a full-fare round-trip business-class ticket from or to any destination served by BA can claim a free companion ticket in any class to any BA destination in the world. Travel must be completed by April 15. <a href="http://www.britishairways.com">www.britishairways.com</a>
<b>CANADIAN AIRLINES INTERNATIONAL AMERICAN AIRLINES</b>	China to United States	Beijing (and return to Beijing or Hong Kong) to any U.S. destination served by Canadian Airlines International or American from 3,000 yuan (\$360) one-way and 5,000 yuan round-trip. Unlimited stopovers allowed for 450 yuan each. Some conditions apply. Must book before April 15 and return within three months. (86-21) 6375-8899.
<b>EMIRATES</b>	London/Manchester to Melbourne	Round-trip first- or business-class passengers stopping over in Dubai or Singapore can claim two nights at a five-star hotel in either city (or one night in each) plus round-trip airport limo transfers. Accommodation must be used by March 31 and travel completed by April 30. (44-171) 808-0808.
<b>QANTAS</b>	Paris to Singapore	Round-trip for 3,220 francs (\$535), plus tax. Conditions apply. For departure before March 31. Toll free: 0800-846-846 in France.
<b>VIRGIN ATLANTIC</b>	London to Shanghai	Round-trip for £371 (\$593), plus tax, from Heathrow. Some conditions apply. Must book by April 16 for departure between May 22 and June 30.
<b>CHESTERFIELD</b>	London	Three nights for two people for £399 (\$638), plus VAT, over Easter weekend includes Easter Sunday lunch, dinner on one night, afternoon tea on one day, English breakfast each morning and a gift. For arrival April 2, departing April 5. (44-171) 491-2822.
<b>EQUATORIAL</b>	Shanghai	"Superior" rooms (single or double) for \$72 with tax and service includes 50 percent off food and beverage. Until April 30. (86-21) 6248-1688.
<b>HYATT</b>	Germany	"Pay 1 - Stay 2" package offers two nights for the price of one at Hyatts in Cologne, Mainz, Hamburg and Berlin; includes American buffet breakfast, use of fitness club and late check-out. March 31 to April 5.
<b>HOLIDAY INN</b>	Golden Mile, Hong Kong	Rooms from \$101 a night include free local calls, in-room fax in some rooms, discounts in restaurants, business center and laundry. Until March 31. (852) 2313-4305.
<b>HOTEL NIKKO</b>	Hong Kong	Winter rate from 988 Hong Kong dollars (\$127) a night includes discounts in hotel restaurants, laundry and dry cleaning. Until April 10. (852) 2313-4305.
<b>MALMAISON</b>	Newcastle and Manchester	Two-night weekend package for £420 (\$672) for two people includes breakfast and dinner and two body treatments per person (choose from massage, facial, back treatment). Until May 31. Newcastle (44-191) 245-5000; Manchester (44-161) 278-1000.
<b>RADISSON SAS</b>	Beijing	Singles for \$99 a night. Until April 30.
<b>THE REGENT</b>	Bangkok	Business package for \$200 single (\$220 double) a night includes American breakfast and round-trip airport limo transfers. Minimum two-night stay. Until April 4.
<b>STRAWBERRY HILL RESORT</b>	Jamaica	Three- to seven-night packages from \$1,635 to \$3,500 per person include Continental breakfast, airport transfers from Kingston, tax and service, use of spa facilities, guided walks and bicycles. Until Dec. 15. (1-305) 531-8800.

Compiled by Roger Collis. Although the IHT carefully checks these offers, please be aware that some travel agencies may be unaware of them, or unable to book them.

# THE FREQUENT TRAVELER

## High-Tech Hotels of the Future

By Roger Collis  
International Herald Tribune

**B**ACK in my corporate days (and I go back a long way), you could expect a quiet, spacious room and a comfortable bed with a telephone on the night-table, a radio with local news, an armchair, a shaving mirror, a shower that worked, and a wardrobe with wooden coat hangers that you were tempted to walk away with.

High-tech meant a telex in reception (remember the telex?) and a gizmo I recall called "Magic Fingers." Put a quarter in the slot and the bed would vibrate for 15 minutes, saving you counting sheep. You had to go through the operator for long-distance calls ("There's a two-hour delay for Madrid"), so the office was safely out of touch and you'd be left to worry in peace.

Slow dissolve (via multichannel satellite TV, mini-bars, hair dryers, power showers, bathroom phones, back-lighted mirrors and in-room tea- and coffee-making facilities) to the millennium. Road warriors today are driven by communications technology — the need to be totally wired at all times, which both facilitates and requires higher productivity. The hotel room has become a "command center" from which one manages the business with customers and the office as though one were in the office. Travelers want to be independent, in control, not dependent on hotel services; they want to do it all in their room, around the clock.

Hotels have responded. Hyatt came up in 1997 with its Business Plan at 90 hotels in the United States and Canada. For an extra \$30 a day on any room rate, guests get a raft of benefits including a large desk, fax machine, desk telephone with computer hook-up, enhanced lighting, free local calls and no access charges on toll-free and credit card phone calls.

"We've found that almost two-thirds of business travelers in America use laptops on the road," says Norm Canfield of Hyatt Hotels in Chicago. "So someone can print out what they're doing in the room rather than going to the business center. People are looking for instant convenience, lack of hassles and the ability to be productive when they want to be productive."

"We already have two-line phones with data ports. But the biggest thing is the Internet, and where does that go? We're testing systems for getting people connected — especially with high-speed data links. There's an interactive cable vehicle through the television set, which has a lot of potential because the bandwidth is huge, but the industry hasn't yet evolved to the point where you can explain this — it's like having a 50-lane highway and a half-lane exit ramp."

Alistair Forbes, business development director of Quadriga, a provider of interactive hotel-room technology, in London, says: "The television is the center of the communications highway for the hotel guest. You don't need a laptop to access the Internet or deal with your e-mail. It's all done through a remote-control key-pad. The technology is in the hotel basement using co-axial cabling for the signaling. But it all goes through the TV. The typical road-warrior — the middle manager in the four-star hotel — will probably still bring his laptop. The senior executive is going to see it as an opportunity to not take his laptop."

Hilton Hotels has started Business Anywhere centers at 50 U.S. hotels. The centers provide a Pentium multimedia computer with zip drive, e-mail access and Web browsing through the Internet, a laser printer, a laptop print port, a copier, a fax machine and a 24-hour hotline. They come with multilingual touch-screen menus. You pay by credit card.

Hilton is testing an in-room PC system called PCC Powerdesk at three London properties — the Hilton Heathrow, the Langham Hilton and the Hilton Park Lane. PCC Powerdesk is a PC hidden away in a wooden desk in the room. It comes with a fax/e-mail/Internet access, a laser printer (stashed in the bottom drawer), scanner and CD sound system.

Access to the Powerdesk is through a smart card, which you buy at reception, costing £15 (\$24) for an hour and £30 for up to four hours use. You can use the card at other hotels with Powerdesks. You can bring your own floppy disks or buy disks at the hotel. You also have access to Microsoft Office, the Internet, games and shopping. CDs from the hotel library and, via PCC Mail, market information, entertainment and sport.

You can find Powerdesks at more than 30 Comfort, Clarion and Quality hotels in Norway and 15 in Sweden; the Stanhope in Brussels; the Grand Hotel Duomo in Milan, and the Halcyn, the Howard and the Ritz in London.

Nigel Massey, a hotel consultant in London, balks at all this stuff. "There's a blind assumption in the hotel industry that everybody is into high-tech," he says, "so they stick all this kit in and what you actually do is alienate your guest when he can't figure out how to use the stuff and is too embarrassed to phone down and ask. We did quite an amusing lifestyle survey at the Halkin in London, which has the last word in high-tech, among 150 males and female guests from Europe and the United States. Men see rooms as an extension of their office and use all the available facilities. But women see their rooms as places of relaxation rather than communication. Only 8 percent use the technology, compared with 39 percent of men."

"Hotels are in danger of introducing too much high-tech at the expense of the human-service element," he continues. "I'm fed up speaking to voice mail. I want to speak to a person. Does anybody speak English? Does anybody speak?"

### A slew of gizmos for plugged-in travelers.

iterative hotel-room technology, in London, says: "The television is the center of the communications highway for the hotel guest. You don't need a laptop to access the Internet or deal with your e-mail. It's all done through a remote-control key-pad. The technology is in the hotel basement using co-axial cabling for the signaling. But it all goes through the TV. The typical road-warrior — the middle manager in the four-star hotel — will probably still bring his laptop. The senior executive is going to see it as an opportunity to not take his laptop."

Hilton Hotels has started Business Anywhere centers at 50 U.S. hotels. The centers provide a Pentium multimedia computer with zip drive, e-mail access and Web browsing through the Internet, a laser printer, a laptop print port, a copier, a fax machine and a 24-hour hotline. They come with multilingual touch-screen menus. You pay by credit card.

Hilton is testing an in-room PC system called PCC Powerdesk at three London properties — the Hilton Heathrow, the Langham Hilton and the Hilton Park Lane. PCC Powerdesk is a PC hidden away in a wooden desk in the room. It comes with a fax/e-mail/Internet access, a laser printer (stashed in the bottom drawer), scanner and CD sound system.

Access to the Powerdesk is through a smart card, which you buy at reception, costing £15 (\$24) for an hour and £30 for up to four hours use. You can use the card at other hotels with Powerdesks. You can bring your own floppy disks or buy disks at the hotel. You also have access to Microsoft Office, the Internet, games and shopping. CDs from the hotel library and, via PCC Mail, market information, entertainment and sport.

You can find Powerdesks at more than 30 Comfort, Clarion and Quality hotels in Norway and 15 in Sweden; the Stanhope in Brussels; the Grand Hotel Duomo in Milan, and the Halcyn, the Howard and the Ritz in London.

Nigel Massey, a hotel consultant in London, balks at all this stuff. "There's a blind assumption in the hotel industry that everybody is into high-tech," he says, "so they stick all this kit in and what you actually do is alienate your guest when he can't figure out how to use the stuff and is too embarrassed to phone down and ask. We did quite an amusing lifestyle survey at the Halkin in London, which has the last word in high-tech, among 150 males and female guests from Europe and the United States. Men see rooms as an extension of their office and use all the available facilities. But women see their rooms as places of relaxation rather than communication. Only 8 percent use the technology, compared with 39 percent of men."

"Hotels are in danger of introducing too much high-tech at the expense of the human-service element," he continues. "I'm fed up speaking to voice mail. I want to speak to a person. Does anybody speak English? Does anybody speak?"

Roger Collis can be reached by fax at (33-4) 93-74-77-92.

# ARTS GUIDE

## BRITAIN

**LONDON**  
Barbican Art Gallery, tel: (171) 638-8991, open daily. To March 28: "Africa by Africa: A Photographic View." Spanning the production of African photography since the 1920s, the display examines the role of studio photography and its insight into social Africa. [www.barbican.org.uk](http://www.barbican.org.uk)  
Royal Academy of Arts, tel: (171) 300-8000, open daily. Continuing to April 11: "Monet in the 20th Century." Features 80 paintings completed in the final decades of the artist's life. [www.royalacademy.org.uk](http://www.royalacademy.org.uk)  
Tate Gallery, tel: (171) 887-8000, open daily. To June 6: "Jackson Pollock: A retrospective of the works of the American artist (1912-1956). Dripping paint from a brush or stick held above the canvas, Pollock wove webs of interlocking lines, punctuated with splatters of color. [www.tate.org.uk](http://www.tate.org.uk)

trap, a mechanism designed to transport a spoonful of cough syrup; and a "silent" bicycle pump. [www.deutsche-guggenheim-berlin.de](http://www.deutsche-guggenheim-berlin.de)

**COLOGNE**  
Wallraf-Richartz-Museum, tel: (221) 221-23-82, closed Mondays. To May 9: "Arend de Gelder, 1645-1727." The Dutch painter (1645-1727) was Rembrandt's apprentice for two years and his historical paintings derive their inspiration from the master's broad painting method.

**WOLFSBURG**  
Kunstmuseum, tel: (5381) 268-90, closed Mondays. To June 6: "Avantgarde: Art and Fashion in the Twentieth Century." Demonstrates the flow of inspiration between the two worlds through more than 250 works in painting, printmaking, fashion design, photography and film.

## JAPAN

**KYOTO**  
National Museum of Modern Art, tel: (75) 751-4111, closed Mondays. Continuing to March 22: "Prints of Edvard Munch." Works by the Norwegian artist (1863-1944). With Expressionist intensity, Munch expressed people's loneliness and anxiety with strong colors and swirling lines. [www.momak.go.jp](http://www.momak.go.jp)

**OSAKA**  
Idemitsu Museum of Arts, tel: (6) 245-98-11, open daily. To March 22: "A Longing for Limpidity." More than 50 works by the Japanese painter (1777-1835). Tanomura developed a style inspired by the literati paintings of the Ming and early Qing dynasties.

**TOKYO**  
Gotoh Museum, tel: (3) 3703-0082, closed Mondays. To March 28: "Penetrating Beauty." A selection of Japanese swords created by the craftsman of the Edo period (1600-1868).

**ROTTERDAM**  
Kunsthal, tel: (10) 44-00-300, closed Mondays. To July 4: "Picasso: Artist of the Century." Covers Picasso's entire career from the early "blue" and "pink" periods and Cubism to his later years in the South of France.

**LAUSANNE**  
Fondation ds l'Hermitage, tel: (21) 320-50-01, closed Mondays. Continuing to May 24: "L'Age d'Or



Seydou Keita's work is part of a London show exploring photography in sub-Saharan Africa.

**de l'Aqueduc Anglaise, 1770-1801.** A survey of British watercolors and their interpretation of landscapes and still lifes, from Paul Sandby (1731-1809) to Turner, Bonington and the Victorian watercolorists.

**MARTIGNY**  
Fondation Pierre Gauduche, tel: (27) 722-3978, open daily. To June 6: "Turner et Les Alpes." Works on paper created by the British painter (1775-1871) while he traveled through the French and Swiss Alps in 1802. [www.glaude.ch](http://www.glaude.ch)

**TAIPEI**  
National Palace Museum, tel: (2) 224-1333, open daily. To March 30: "A Special Exhibition of Printed Editions From the Sung Dynasty." While block printing, that began during the Tang Dynasty, peaked under the Sung (960-1280), most printed volumes were destroyed in subsequent wars. The exhibition features some examples of the Sung block printing. [www.npm.gov.tw](http://www.npm.gov.tw)

**BALTIMORE**  
The Walters Art Gallery, tel: (410) 547-9000, open daily. To May 9: "Land of the Winged Horsemen: Art in Poland, 1572-1764." An loan from Polish museums, portraits, armor, costumes, objects in silver and gold from a land that was influenced by its position at the crossroads of eastern and western cultures. [www.TheWalters.org](http://www.TheWalters.org)

**CLEVELAND**  
Cleveland Museum of Art, tel: To May 2: "Diego Rivera: Art and Revolution." More than 100 paintings and drawings that exemplify Rivera's relationship to Symbolism, Cubism, Social Realism and Surrealism. They also reflect the way he merged the innovations of European modernism with the traditions of Mexico's pre-Columbian past and its indigenous peoples. [www.cleart.org](http://www.cleart.org)

## CLOSING SOON

**ASIA**  
March 14: "Tibetan and Qing Dynasty Buddhist Images. Chang Foundation, Taipei.  
March 14: "Masterworks from the Camen Thyssen-Bornemisze Collection." Mijagui Museum of Art, Sendai, Japan.

**EUROPE**  
March 14: "Goya: Un Regard Libre." Palais des Beaux-Arts, Lille, France.  
March 14: "L'Anima a il Volto." Palazzo Reale, Milan.  
March 14: "Adriaen de Vries. Imperial Sculptor, 1568-1628." Rijksmuseum, Amsterdam.  
March 14: "Richard Lindner." IVAM Centre Julio Gonzalez, Valencia, Spain.

Compiled by Elisabeth Hopkins

# BOOKS

**MY PILGRIM'S PROGRESS**  
Media Studies, 1950-1998  
By George W.S. Trow. 279 pages.  
\$24. Pantheon.

Reviewed by Richard Bernstein

**T**HE FIRST thing to note about George W.S. Trow's new book is that, as with his best-known previous work, the cult classic "Within the Context of No Context," there is something interesting on every page and something brilliant on many of them.

In "My Pilgrim's Progress," Trow, who was a staff writer at The New Yorker for almost 30 years, continues his jazzy, epigrammatic love-hate relationship with the contemporary culture.

The main idea, largely developed by Trow's examination of "Mainstream American Cultural Artifacts," is that the protective solidity of the American culture that existed at mid-century has vanished, even if we do not realize just how complete the disappearance was. He meanders through the cultural and political landscape, making penetrating, knowledgeable and entertaining observations and evoking a stark cleavage in the culture that began forming around his chosen baseline date of 1950.

Trow uses many ways to describe what came after the cleavage: "our national culture of irony and anger," the aesthetic dominance of an "unreal, speeded-up violence," "a desperate, dissolving situation," a rock 'n' roll culture whose triumph over the old aesthetic was so complete that "it obliterated any real sense of the context to which it was juxtaposed."

In any case, you get the picture: What has happened is not good, though it is very interesting. It can be observed in numerous "Mainstream American Cultural Artifacts." And it has something to do with television, that new thing that lurked almost invisibly in the

shadows of 1950 and grew into a victorious monster.

Trow's manner of expression is in its way as much a "Mainstream American Cultural Artifact" as the movies, books and musical productions that he analyzes so acutely. It, too, marks a cultural cleavage, between the studied informality of the second half of the century and the formal discourse of the rest of literary history. "So let's rock and roll with this," Trow writes as he makes a transition from one point to another. "Not quite free-associate; my mind doesn't take that way. I just trust the circularity of it. Let's start anyway: The Beatles, 1965."

The transition Trow makes at that point is between the demise of the Churchillian aesthetic of the 1950s and the appearance of "Dionysian avatars" like the Beatles' tragic hero, John Lennon.

As always the argument is rich and suggestive, like many others in this book. Indeed, the temptation in reviewing "My Pilgrim's Progress" is to list a few of Trow's many interesting points. For example, he attributes the increase in violence in the movies to an underlying and ever increasing commercial need for what he calls a "hyperactive quality" that is most easily satisfied in violence and car chases. He then adds a brief history of movie car chases, beginning with Steve McQueen's "Bullitt" (1968).

Or there is his wonderfully despairing vision of television production in which a straight line can be drawn from "Howdy Doody" (the "sub-basement of a Shirley Temple movie") and the "awareness-of-everything-and-cynicism business of 'The Simpsons.'" Not only are Howdy Doody and the Simpsons linked in this linear history of television, but the qualities that link them are juxtaposed with other cultural products, specifically the David Letterman show, whose stock in trade is irony. (Trow calls it irony, though

derision might be a better word.)

But there is a deeper, connecting point here as well, one worth bearing in mind. If derision (or irony) is a sensibility of the age, where does it come from? Trow finds its origins in the very cultural disjunction that is his main subject. We have, he writes, repudiated "the Old World of masculine honor" that was itself linked to a hard core of struggle. We live at a time, he observes, when there have never been more people on earth and less starvation. Pampered as we are, unacquainted with a "moment of true physical exhaustion after a day of work in the mines," we "were going to have to grow up to be entirely ironic in our visceral reactions to our own manhood."

Elsewhere, Trow studies the career of Faye Emerson, the subject of a lengthy profile in The New York Times of 1950, when headlines were about the national coal strike, Churchill's memoirs of World War II and the hydrogen bomb. Emerson enters the picture as "our first personality known for being a personality." She represents in this sense the disjunction between the old world of 1950, grounded in the bitter fights against the Nazis and the Depression, and the lightweight world of television in which neither historical nor cultural contexts exist. Trow's comment on this is a marvel of sardonic clarity: "My overview of the civilization as presented in The New York Times of Feb. 1, 1950," he writes, "is that in World War II, the Germans lost, and Faye Emerson won."

As he slices transgressively through the decades, Trow gives himself away. He is an old-fashioned curmudgeon who writes with hip, new-fashioned flair. His tour of the media and the politics of the last half century is solidly grounded in a moral tradition that we are in danger of losing, which is reason enough for lingering and contemplating this original, provocative and possibly prophetic book.

New York Times Service

# BRIDGE

By Alan Truscott

**F**OR the first time in nearly half a century, there will be no world championship this year. That is only just true: The Bermuda Bowl and the Venice Trophy, usually played in the fall, will be played in Bermuda in January.

An American team of past world champions is expected to be among the favorites in the Venice Trophy for women's teams.

Kathie Wei, Betty Ano Kennedy, Juanita Chambers, Stasha Cohen, Jill Blanchard and Irina Levitina began their preparations in Scheveningen, Netherlands, by compet-

ing in the Forbo International Team Tournament. Wei and Kennedy, who were teammates for many years on major occasions, have formed a new partnership.

Kennedy has deferred to her partner's strong preference and adopted the Precision System, which accounts for the opening one club on the diagrammed deal from a recent practice game. A natural sequence then led to six spades and a diamond was led.

Wei had two finesses available and took neither. She won with the diamond king, cashed the heart ace and led the heart queen. When East played low she ruffed and

cashied the spade ace. The appearance of the king was a pleasant surprise, and South made an overtrick by establishing the fifth heart in the dummy.

If the spade king had not appeared, South would have continued, driving out the king. After a minor-suit return, she would have won in dummy, ruffed a heart and removed any remaining trumps.

There would still have been two entries to the dummy, to secure another ruff and score the last heart for the 12th trick.

Notice that a routine spade finesse at the second trick would have left South in jeopardy. She would have had to

guess well in hearts to survive.

NORTH (O)			
♠ A Q J 7 4	♥ A K 7 3	♦ A K	
WEST			
♠ K	♥ 8 5 2	♦ Q 10 8 5 4	♣ J 8 5 3
EAST			
♠ 8 5 4	♥ A 10 9 8 7	♦ K 9 8 7 6 5	♣ Q 10 9 8 7
SOUTH			
♠ A Q J 10 9 8 3	♥ A 10	♦ A K	♣ 9 8 7
Both sides were vulnerable. The bidding:			
North	East	South	West
1♠	Pass	4♠	Pass
2♥	Pass	4♥	Pass
4NT	Pass	5♠	Pass
6♠	Pass	Pass	Pass
West led the diamond five.			



"Art in Poland" is the theme of an exhibition that will tour several U.S. cities after its stay in Baltimore.

*Pierre Chiffolle*  
Cordon Rouge de France

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## South Korea Seeks Reform, Tentatively

### Activists and Government Work to Break Grip of the Conglomerates

By Sandra Sugawara  
Washington Post Service

SEOUL — Hwang Jang slumped back in his chair, exhausted. The professor of finance at Korea University had changed his cellular phone number twice, but still his phone rang relentlessly.

His outspoken advocacy of shareholder rights and free markets has made him a celebrity of sorts here. He was unprepared for the onslaught of attention, flying in would take several years before a shareholder rights movement gained any credibility in South Korea, where tycoons are accustomed to running their companies with little fuss.

But then came the economic crisis of late 1997, which caused South Korea to ask for a \$58 billion international bailout. In return for a massive rescue package, its newly elected president, the former dissident Kim Dae Jung, agreed to restructure the nation's closed and debt-ridden economy and embrace the free market.

A key target of economic reform is the dominance of the nation's large family-controlled business groups, known as chaebol, which ran up dangerously high levels of debt through their expansion into a wide variety of industries.

The top five chaebol — Hyundai, Samsung, Daewoo, LG Group and SK Group — account for more than one-third of the country's gross economic output, giving them enormous power. The collapse of any one of those groups could be devastating to the economy.

Mr. Kim's new government enacted a series of laws to strengthen minority shareholder rights and remove barriers to hostile takeovers and foreign investments. He also launched a campaign to convince the nation that the chaebol, not foreign investors, were to blame for South Korea's troubles.

"Before, people were afraid to take action against the chaebol," said John Lee, a Korean-born American and senior vice president of Scudder Kemper Investments Inc., based in New York. "They are so powerful, they are everywhere. People are still afraid, but at least the government is on their side." Scudder Kemper manages the Korea Fund, one of the largest and oldest mutual funds to invest solely in Korea, and has worked with Mr. Jang on shareholder rights issues.

"A year ago, I was cynical, quite pessimistic" about the

See CHAEBOL, Page 14

## Retail-Sales Data Propel U.S. Stocks

### Dow Sets a Record, Closing Just Short of 9,900 on Show of Prosperity

Compiled by Our Staff From Dispatches

NEW YORK — Stocks rose to a closing record Thursday, with a broad range of blue-chip stocks posting gains on signs that the U.S. economy was continuing to expand.

The Dow Jones industrial average rose 124.60 points to close at a record 9,897.44. The 30-stock index rose to within 65 points of 10,000 earlier in the day.

The gains were fueled by the news that retail sales increased strongly in February as Americans opened their wallets and purses to purchase everything from cars to furniture.

The sales — which represent about a third of the economic output of the United States — jumped 0.9 percent last month to a seasonally adjusted \$236.5 billion, the Commerce Department said.

The monthly gain, the seventh in a row, came on top of robust rises of 1 percent in January and 1.1 percent in

December. Both the January and December figures were revised upward from previous estimates, January's substantially, from 0.2 percent.

Several factors are combining to drive spending higher, including unemployment near a 29-year low, low interest rates, record stock prices as measured by the Dow Jones average of industrial stocks and a substantial increase in federal tax refunds, compared with last year.

Auto sales were particularly strong, rising 1.8 percent in February. Sales of other goods rose a healthy 0.6 percent.

Separately, the Commerce Department reported that the deficit in America's broadest measure of foreign trade, the current account, soared by 30.4 percent last year to a record \$233.4 billion as the global financial crisis continued to batter American farmers and manufacturers.

Cynthia Latta, an economist at Standard & Poor's DRI, said she expected

the 1999 current account deficit to hit \$286 billion, reflecting continued global economic troubles.

"We have a global economic slowdown with recessions in one-third of the globe and slowing growth in Europe. That means weak demand," she said.

While the 1987 deficit was equal to 3.7 percent of the total economy, the 1998 imbalance was only 2.7 percent of a bigger U.S. economy. But if this year's deficit does climb to around \$290 billion, that would make it equal to 3.3 percent of the gross domestic product.

Normally, bulging trade deficits would be a major political problem. But the imbalances this time are occurring as domestic growth remains strong, pushing unemployment to the lowest levels in three decades.

In a reflection of the healthy job market, the Labor Department said Thursday

See STOCKS, Page 14

## Euro Soars as Traders Cheer Shake-Up in Bonn

Compiled by Our Staff From Dispatches

NEW YORK — The euro rose against the dollar Thursday after the surprise resignation of Finance Minister Oskar Lafontaine of Germany, fanning expectations that his departure would ease political pressure on the European Central Bank to lower interest rates.

"This is great news for the euro simply because Lafontaine has been the main advocate for the weak-euro policy," said Stewart Newnam, a currency strategist at Commerzbank AG. His departure "opens the way for a rate cut," he said.

In 4 P.M. trading, the euro was at \$1.1032, up from a low of \$1.0798 earlier and a close of \$1.0945 on Wednesday.

The return investors would earn on euro-denominated assets rises with the threat of a rate cut removed, which in turn helps the new single European currency, said Jeffrey Woodruff, a currency analyst at BankBoston in London. Cen-

tral bankers had said Mr. Lafontaine's repeated calls for a cut in the ECB's benchmark 3 percent interest rate undermined the bank's independence.

Bob Lynch, a currency strategist at Paribas Corp., said: "You get rid of somebody that isn't considered a free-market thinker, and that's good for the euro. Traders didn't like the socialist side of his policies, which emphasized government involvement in markets."

But some traders said the currency's rebound may prove short-lived, as uncertainty was likely to persist over the direction of German public policy until Germany, Europe's biggest economy, appointed a successor to Mr. Lafontaine.

The single currency is down 5.6 percent since its inception Jan. 1, driven by expectations of slowing growth in the euro region. Lower interest rates are seen as helping stimulate economic growth in Europe.

Earlier Thursday in Brussels, Guy Quaden, a member of the European Central Bank council, suggested that there

See DOLLAR, Page 14

## Alcatel to Cut 12,000 Jobs, Mostly in U.S.

Compiled by Our Staff From Dispatches

PARIS — Alcatel SA, the French telecommunications-equipment maker, said Thursday it planned to cut 12,000 jobs over the next two years, mainly in the United States.

Most of the job cuts, which amount to 10 percent of the work force, will come from restructuring U.S. operations, said Alcatel's chairman, Serge Tchuruk.

Of the job cuts, 5,000 had already been planned, 700 will come at DSC Communications Corp., a newly acquired U.S. unit, and other cuts will come from contracting out computer support and other tasks, he said.

Even with the cuts, Alcatel will not meet an operating profit target of 8 percent of revenue this year, Mr. Tchuruk said.

The chairman also said the company was negotiating with the French government to sell its 44 percent stake in Framatome, a state-

See ALCATEL, Page 15

## Beijing Calls For Increase In Lending

### Foreign Banks Warned Not to Withdraw Credit

Compiled by Our Staff From Dispatches

BEIJING — Chinese banks will increase lending to private enterprises and other companies outside the state sector to spur economic growth, the chief of the central bank said Thursday.

At the same time, other top central-bank officials have bluntly warned foreign banks against withdrawing credit and investment from the country, saying they may jeopardize future opportunities.

The comments on lending by Dai Xianglong, governor of the People's Bank of China, dovetailed with plans by the National People's Congress, now holding its annual session, to amend the constitution to emphasize the importance of private enterprise in the Chinese economy.

The Chinese private sector has grown despite difficulties getting loans from state banks. The government is counting on private enterprise to absorb many of the millions of people laid off from debt-ridden state factories.

"We attach great importance to the development of the nonstate sector," Mr. Dai said at a news conference.

The central bank would encourage state-owned banks to lend to small private businesses by allowing them to charge higher interest rates.

Mr. Dai gave no specific figures about how much lending to the nonstate sector would increase. Such loans accounted



Dai Xianglong taking questions after he announced the easing of credit.

for 42 percent of the \$1.05 trillion issued by all financial institutions in 1998, an increase of 3 percent from the previous year.

The nonstate part of China's economy is a broad mix of private businesses, collectives and foreign-invested ventures.

The official Liberation Daily on Thursday quoted the director of the People's Bank of China's powerful Shanghai regional branch, Wu Xiaoling, as saying it was "to be expected" that China would encounter difficulty and risk in its long-running financial reforms.

"From 1995 to now is the peak period for issuing Chinese financial laws," she was quoted as saying. "It can be said that the most disordered period in China's financial industry has already passed."

"What follows is really the greatest development period," she told the founding meeting of an industry association including both foreign and local bankers.

She warned foreign banks that if they

"casually adjust or shrink their business in China" and then apply again to do business there, "at the arrival of China's great development period, these foreign banks could lose their opportunity."

Mr. Dai also told reporters China planned to keep its currency, the yuan, stable this year and to allow more foreign banks to do business in China.

In repeating assurances that the yuan would not be devalued, Mr. Dai said China expected to maintain a favorable balance of payments and steady exports this year. Contrary to some recent reports, there are no plans to study a possible devaluation, he said.

Mr. Dai also said China would make "very large concessions" in its bid to enter the World Trade Organization, although he gave few details.

China wants to be admitted to the WTO as a developing nation so that it can make fewer trade concessions. The United States and other countries insist China should do more to open its markets before it is eligible to join.

(AP, AFP, Bridge News)

## CURRENCY RATES

March 11										Other Dollar Values										March 11										
Cross Rates										Currency										Currency										
	\$	£	SF	Yen	CS	Dma	Greek	Swede			Per S	Currency	Per S	Currency	Per S	Currency	Per S	Currency	Per S			Per S	Currency	Per S	Currency	Per S	Currency	Per S	Currency	
London (d)	1.6267		2.3941	195.32	2.076	11.158	482.81	13.282	Argenti. peso	0.9995	Hong. dollar	230.43	N. Zealand S	1.8277	Shw. bororo	46.64			Austrian S	1.5684	Indian rupee	42.445	Norw. krone	7.354	S. Afric. rand	6.15				
New York (d)		1.6364	1.4536	119.245	1.5255	6.8345	291.56	8.1252	Brazilian real	1.17	Indo. rupiah	945.15	Pakist. rupee	49.10	S. Korea won	129.12			Canad. dollar	0.6281	47,991	945.15	Pakist. rupee	49.10	S. Korea won	129.12				
Tokyo	119.65	194.55	82.03			78.57	17.64	N.Q.	Chad. franc	401.95	Israeli sheq.	4.0158	Phil. peso	39.70	Taiwan S	35.11			Toronto	1.5243	2.495	1.048	1.277		0.2261	0.5224	0.1895			
Toronto	1.5243	2.495	1.048	1.277		0.9688	21.438	0.4961	Egypt. pound	2.154	Latvian. parn.	150.0	Russian ruble	25.78	Turkish lra	389.04			Zurich	1.4743	2.3951		1.2274		0.9688	21.438	0.4961	0.1803		
Zurich	1.4743	2.3951		1.2274		0.9688	21.438	0.4961	Hong Kong S	7.749	Mexican peso	9.753	Singapore S	1.736	Venez. boliv.	577.58														
Source: Associated Press.																														
Intra-European Cross Rates																														
Euro-EMU rates are permanently fixed																														
	Ald	Belf	Finn	FFM	DAL	Irish	Lira	Port	Spain																					
Dollar	75.21	37.29	5.697	6.042	1.308	1.281	179.03	2.073	185.34	15.87																				
Pound	26.645	68.934	8.254	1.982	2.932	1.729	2.677	3.106	36.19	249.88																				
Yen	9.53	32.47	22.04	1.99	0.50	144.29	7.69	94.85	6.85	87.678																				
Ald: Scotland; Belf: Belgium; Finn: Finland; FFM: France; DAL: Denmark; Irish: Ireland; Lira: Italy; Port: Portugal; Spain: Spain.																														
																						</								

Interbank rates excluding commissions. To buy one pound in U.S. dollars: \*Per 100 M.Q. not quoted; N.A.: not available. SDR: Special Drawing Rights of the IMF. Sources: Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); Banque de France (Paris); IMF (SDR). Other data from Reuters.

Euro Values: Fixed rates of the ERM currencies, for one euro: 13.7603 Irish punt 16.3633 Italian lire 200.482 French franc 6.55957 Spanish peseta 166.386

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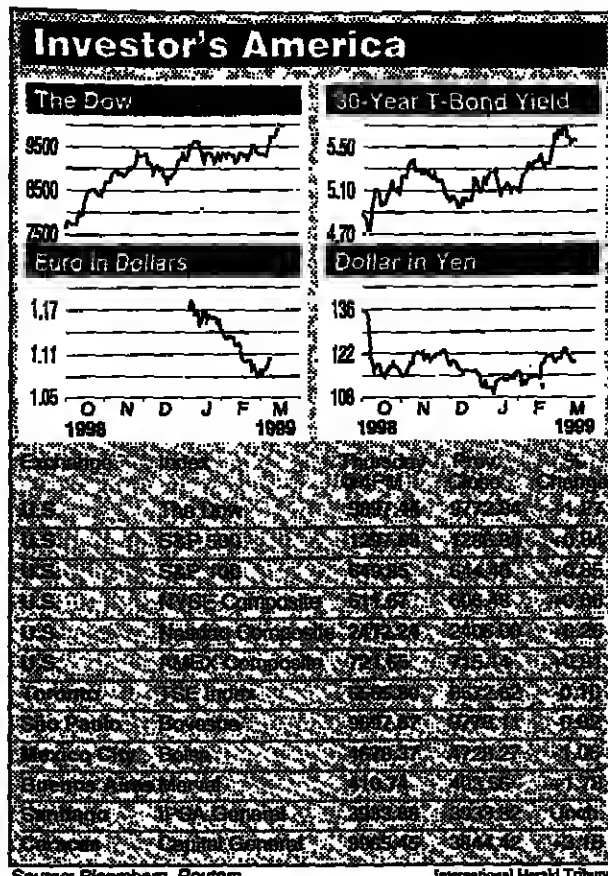
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## THE AMERICAS



## Bank Chief to Attack Brazil's Debt

By Larry Rohrer  
New York Times Service

**BRASILIA** — The new president of the central bank has promised a "frontal attack" on the swelling public debt, brought on by the nation's financial crisis.

Meeting here with a group of foreign reporters Wednesday, the central banker, Américo Fraga, said the worst of the "recent turbulence" had passed, and he pointed to a firming of exchange rates and other encouraging signs in recent days. He predicted that Brazil would return to the capital markets in a matter of weeks.

Mr. Fraga spoke hours before he and other top Brazilian officials embarked on a trip to New York and other financial capitals to explain Brazil's latest round of austerity measures and seek a reopening of credit lines.

A previous road show, led by Finance Minister Pedro Malan after Brazil signed a \$41.5 billion rescue package with the International Monetary Fund in November, was not successful.

Investors and lenders remained edgy then, convinced that the Brazilian currency, the real, remained overvalued, and in mid-January the government abandoned a fixed exchange rate against the dollar. That allowed the value of the real to drop nearly 40 percent.

Because of that sharp decline, public debt, much of which is calculated in dollars, has jumped to 53 percent of the gross domestic product, Mr. Fraga acknowledged.

A revised agreement with the IMF, announced Monday, requires that it drop to 44.3 percent by 2002.

Mr. Fraga said a combination of

increased revenue from the privatization of state companies and declining interest rates should enable Brazil to fulfill those obligations.

"Our financial system is healthy and well financed," he said. "That will, with the passage of time, produce lower interest rates."

The revised agreement with the IMF foresees an inflation rate of nearly 17 percent for 1999. It also projects that the Brazilian economy will contract as much as 4 percent this year. But Mr. Fraga, a former aide to the financier George Soros, shrugged off that forecast as unduly pessimistic.

He said Brazil should be able to meet an increase in the budget-surplus target figure contained in the revised IMF agreement, the equivalent of 3.1 percent of the gross domestic product, without having to make additional saving cuts.

## STOCKS: Prices Touch New Highs on Continued U.S. Expansion

Continued from Page 13

day that first-time claims for unemployment checks remained under 500,000 for the sixth consecutive week for the first time since 1974. Claims edged up by 1,000 last week to a seasonally adjusted 289,000.

## A Broad-Based Advance

Broader market indexes rose as investors reacted enthusiastically to the idea of a 10,000-point Dow. Bloomberg News reported from New York.

At the lunch hour, a line of account holders depositing money and people waiting to open accounts filled the vestibule at the Charles Schwab Corp. branch at 57th Street and Park Avenue in

2412.25, having whittled away a 31-point advance.

Coca Cola rose 3 1/2 to 66 1/2, contributing most to the Dow's gains. An analyst at Donaldson, Lufkin & Jenrette Securities raised his rating on the beverage company to "buy" from "market

perform." Rating the company's "unrivaled" global reach.

Oil stocks, including Chevron and Exxon, gained for a second day as rep-

resentatives from some of world's top producers gathered in Amsterdam in hopes of reviving attempts to cut output before the Organization of Petroleum Exporting Countries meets March 23.

Bonds fell after the retail sales report gave traders scant hope that interest rates would come down. The benchmark 30-year Treasury bond was at 95 12/32, down 4/32, pushing the yield up to 5.57 percent from 5.55 percent.

## DOLLAR: Euro Soars as Lafontaine Quits

Continued from Page 13

was room for lower rates in the euro region.

"I'm not saying that we can rule out that European interest rates could still fall a bit," Mr. Quaden, the Belgian central bank governor, told L'Espresso.

The euro fell sharply earlier after the billionaire financier George Soros said the new currency was destined to be weak because of flaws in the structure of European monetary union.

Mr. Soros said that as long as the nations using the euro had different systems for taxation and spending, the euro would not function smoothly. The Guardian newspaper reported. Mr. Soros declined to say how far he thought the euro might fall.

Mr. Soros, a highly influential and successful speculator, had reserved judgment on the euro since its launch. Before then, however, he predicted that it would rival the dollar as a global reserve currency.

At the core of the euro's difficulties, Mr. Soros said, were "the internal ten-

sions inherent in a common currency without a common fiscal policy."

Mr. Soros said that before the euro's launch, European monetary policy was "dictated" by Germany. "But under the euro," he said, "that is no longer true, as each country is represented. That is actually a disparity."

The Guardian said Mr. Soros had told it that the euro's problems were partly political, such as the splits in Germany among the government, the Bundesbank and the European Central Bank based in Frankfurt and the fact that other European nations now had a greater say in European monetary and tax affairs.

The dollar also traded at 119.245 yen, down from 119.750 yen, despite speculation that Japan would move to limit gains in the yen because a stronger currency would make recovery from recession more difficult.

The dollar was also at 1.4536 Swiss francs, down from 1.4595 francs. The pound was at 1.6364, up from 1.6265.

(Bloomberg, AFP, Market News)

## Very briefly:

• **Ingram Micro Inc.**, a distributor of personal computers based in Santa Ana, California, will cut 1,400 jobs, or 12 percent of its work force, and warned of disappointing first-quarter earnings because of price-cutting and slower sales abroad. Ingram shares rose \$1.125 to close at \$19.75.

• **UBS AG of Zurich** is buying Bank of America's international private banking activities in Europe and Asia in a deal that would add more than \$6 billion to its assets.

• **Ogden Corp.** will split into two publicly traded businesses, one for its energy operations and the other for entertainment and aviation.

• **Land's End Inc.**'s fourth-quarter earnings fell 21 percent as higher costs and markdowns on excess inventory offset an increase in sales for the catalog retailer. *Reuters, Bloomberg, AP*

## Icahn Opposes RJR's New Plan

International Herald Tribune

**NEW YORK** — Carl Icahn, the investor and sometime corporate raider, said Thursday that he was launching a proxy battle to wrest control of RJR Nabisco Holdings Corp. because he opposed the method the company had chosen to break itself into separate food and tobacco operations.

Mr. Icahn said RJR Nabisco should retain its U.S. tobacco company and give its 80.5 percent stake in Nabisco Holdings Corp. to its shareholders. Mr. Icahn is RJR Nabisco's biggest known stockholder, with a 7.7 percent stake.

RJR Nabisco announced Tuesday that it would spin off the U.S. tobacco operations into a new company, R.J. Reynolds Tobacco Co., leaving its 80.5 percent stake in Nabisco Holdings Corp. as RJR Nabisco's sole asset.

Mr. Icahn's announcement said, "I believe that the marketplace would place a proper valuation on Nabisco as a free-standing company, separating it completely from RJR."

RJR's shares closed unchanged at \$30.

## U. S. STOCK MARKET DIARY

Thursday, March 11									
Indexes		Most Active		Standard & Poor's		NYSE		NASDAQ	
Dow Jones	9898.44	Dow Jones	9898.44	Dow Jones	9898.44	Dow Jones	9898.44	Dow Jones	9898.44
Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15
High	9910.50	High	9910.50	High	9910.50	High	9910.50	High	9910.50
Low	9886.29	Low	9886.29	Low	9886.29	Low	9886.29	Low	9886.29
Open	9898.44	Open	9898.44	Open	9898.44	Open	9898.44	Open	9898.44
Close	9898.44	Close	9898.44	Close	9898.44	Close	9898.44	Close	9898.44

Thursday, March 11									
Indexes		Most Active		Standard & Poor's		NYSE		NASDAQ	
Dow Jones	9898.44	Dow Jones	9898.44	Dow Jones	9898.44	Dow Jones	9898.44	Dow Jones	9898.44
Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15
NYSE	9898.44	NYSE	9898.44	NYSE	9898.44	NYSE	9898.44	NYSE	9898.44
Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15
NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44
Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15

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NYSE	9898.44	NYSE	9898.44	NYSE	9898.44	NYSE	9898.44	NYSE	9898.44
Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15
NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44
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NYSE	9898.44	NYSE	9898.44	NYSE	9898.44	NYSE	9898.44	NYSE	9898.44
Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15
NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44
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Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15
NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44
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NYSE	9898.44	NYSE	9898.44	NYSE	9898.44	NYSE	9898.44	NYSE	9898.44
Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15
NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44
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NYSE	9898.44	NYSE	9898.44	NYSE	9898.44	NYSE	9898.44	NYSE	9898.44
Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15
NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44
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NYSE	9898.44	NYSE	9898.44	NYSE	9898.44	NYSE	9898.44	NYSE	9898.44
Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15
NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44
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Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15
NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44
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NYSE	9898.44	NYSE	9898.44	NYSE	9898.44	NYSE	9898.44	NYSE	9898.44
Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15	Change	+12.15
NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44	NASDAQ	9898.44
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## EUROPE

## Investors Betting on BNP's Success

Bank Shares Soar After Bid for Societe Generale and Paribas

PARIS — Societe Generale SA, Paribas SA and Banque Nationale de Paris SA shares soared on their first day of trading after BNP offered to buy the two rival French banks for \$38 billion in stock, reflecting growing investor expectations the hostile bid may succeed.

"Having seen the plans and looked at the alternatives, I'm convinced it's a credible price," said Mark Holland, an equity arbitrage analyst at Exane, a French securities company.

BNP, France's third-largest bank, made the surprise offer late Tuesday to buy Societe Generale and Paribas, which plan a \$16 billion merger of their own, in a share swap that would create the world's largest bank, with about \$1 trillion of assets.

Societe Generale rose 19.40 euros, or 13 percent, to close at 164.90 euros (\$180.40). Paribas

rose 15.55 euros, or 18 percent, to 101.50, and BNP rose 5.60 euros, or 7.2 percent, to 83.00.

BNP offered 15 of its shares for seven Societe Generale shares, a value of 165.87 euros a share, a premium of 14 percent above Tuesday's closing price. The bank is also offering 11 of its shares for eight Paribas shares. That value Paribas at 106.43 euros, 18 percent above its Tuesday closing price on the cash market, where the shares are most commonly traded during the offer period, which started Feb. 12.

BNP's shares also were helped by speculation about a rival bid for either BNP or SocGen from outside France, but investment bankers said any such attempts by a foreign bank would run into political and regulatory obstacles.

Paribas, which was to hold a board meeting Thursday night to decide how to respond to the bid, hired Rothschild & Cie as its ad-

viser. Societe Generale was meeting with investment bankers from Morgan Stanley Dean Witter & Co., Credit Suisse First Boston and Merrill Lynch & Co. as it decided how to respond to BNP's bid. BNP's board is to meet Friday morning.

Investors said that whatever the bid's merits, there was certain to be a response of some kind from SocGen and Paribas once their respective boards had met with advisers, as an immediate acceptance seemed the least likely option.

"There will certainly be some kind of strong counterattack," said Damien Bachelot, managing director of Aforge Finance, a corporate finance and asset manager.

Even so, the prospect of SocGen launching a counterbid for BNP draws little support from investors, who say SocGen would have to explain to investors why it was paying a higher price to create the same combination that BNP was offering.



BNP and Societe Generale, neighbors in a Paris street.

## Telecom Italia Unveils Bid To Foil Olivetti

Compiled in Our Staff From Dispatches

ROME — Telecom Italia SpA confirmed Thursday that it would seek to buy the rest of its cellular-phone subsidiary and expand shareholder voting rights to try to thwart a takeover bid by Olivetti SpA.

A merger with Telecom's 60 percent-owned subsidiary, Telecom Italia Mobile SpA, would drive up the price of what is already the largest takeover attempt in European telecommunications. Olivetti announced a \$2.6 billion offer (\$57.6 billion) hostile bid for Telecom Italia last month.

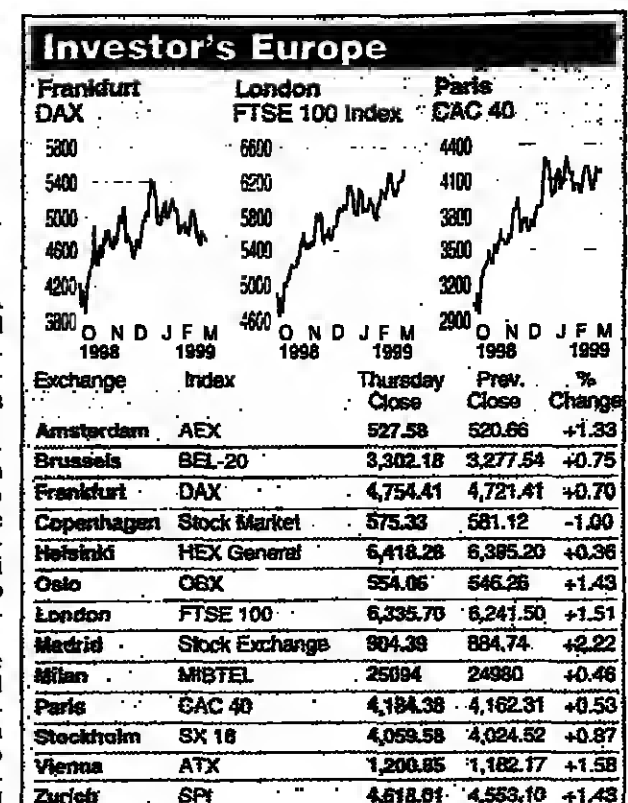
A merger with the mobile-phone subsidiary, known as TIM, would add about 20 billion euros to Telecom Italia's price. Telecom Italia said it would ask shareholders to approve the merger by April 16, emphasizing the benefits to be gained from integrating its fixed-phone services with the mobile network.

Telecom Italia's defense plan, announced Thursday after its board met late on Wednesday night, also includes upgrading its nonvoting savings shares to ordinary voting shares. In addition, Telecom Italia plans to buy back as much as 10 percent of its stock if shareholders approve the plan.

But Olivetti contends that Telecom Italia's proposed absorbing of the mobile business violates takeover laws that bar defensive moves by target companies and has asked regulators to intervene. Italian securities regulators have not given a timetable for a decision.

Telecom Italia will propose to shareholders April 16 that it give four new ordinary Telecom Italia shares for every five TIM ordinary shares and nine Telecom Italia shares for every 20 TIM ordinary shares. The board will also propose to increase capital by issuing 2.68 billion new ordinary shares.

Telecom Italia also said its operating profit rose 10 percent, to 9.2 billion lire (\$5.2 billion), last year as its net reached 15.7 billion lire and sales grew 5 percent, to 45 billion lire. It said its 1998 net income was "much above" the 1997 figure, though it did not provide details.



Source: Reuters International Herald Tribune

## Core Units Lift Vivendi Profit

Bloomberg News

PARIS — Vivendi SA, the French water utility, said Thursday its profit rose 17 percent in 1998 because of growth at its core utility businesses and the first profit from its telephone operations.

The company earned 1.1 billion euros (\$1.2 billion) in 1998, up from 822 million euros in 1997.

The company said it expected sales and net income to increase at least 10 percent in 1999.

Vivendi proposed increasing its dividend 20 percent, to 2.73 euros from 2.29 euros in 1997.

The company said earnings from water operations rose 9 percent, to 430 million euros. Its communications unit, which includes publishing activities and its Cegedel mobile phone service, posted an operating profit of 280 million euros, reversing a loss of 199 million euros in 1997.

## ALCATEL: 12,000 Jobs to Be Cut

Continued from Page 13

controlled maker of cellular reactors that has an estimated total value of about \$3 billion. Selling Frantone would allow Alcatel to complete efforts to focus on telecommunications equipment. Mr. Tchuruk has pushed to sell the Frantone stake after plans to merge it with Alstom fell apart in 1997.

Mr. Tchuruk said the 10 percent staff reduction in 1999 and 2000 would save 300 million euros (\$328.6 million) a year.

He also said he expected to improve operating profit margins to 7 percent from 4 percent in 1998. A target of 8 percent was set in 1996.

"I am still keeping the 8 percent target in view," he said, but "we are taking longer to get there than I had hoped" because of a slowdown in the telecommunications-switching market.

Alcatel is trying to win back investor confidence after a warning in September that it would miss its 1998 profit forecast drove the stock down 38 percent in one day. Alcatel shares closed at 118.50 euros, up 2.90.

The stock has gained 24 percent since March 2, when the company offered \$2 billion for Xylan Corp., a gas-networking company based in California. Two days later, it agreed to buy Assured Access Technology Inc. of Milpitas, California, for \$350 million.

"They're definitely moving in the right direction now, and I expect them to continue doing so," said Jean-Pierre Viteaux, a fund manager with BBL Asset Management.

Thomson-CSF took charges of 438 million euros, covering provisions for 4,000 job cuts in the next two years and to absorb defense assets.

## Thomson Posts Loss

Bloomberg News

PARIS — Thomson-CSF, a military-electronics company, posted a loss of 232 million euros (\$254.1 million) for 1998 on Thursday, citing charges for acquisitions and job cuts, but said it would return to profitability this year.

Thomson's loss contrasted with a profit of 324 million euros in 1997. The 1998 loss was in line with predictions.

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## Israel Seeks Euro Ties

Reuters

FRANKFURT — The governor of the Bank of Israel, Jacob Frenkel, said that his country should cement ties with the euro zone and eventually meet Maastricht treaty criteria, the newspaper Frankfurter Allgemeine reported Thursday.

Mr. Frenkel said that he hoped that some day Israel would sign the treaty, which established terms for European monetary union.

## WORLD STOCK MARKETS

Thursday, March 11

Prices in local currencies, in U.S. dollars

Telex

High Low Close Prev.

Amsterdam

AEX index: 3,572.18

Previous: 3,568.44

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## INTERNATIONAL INVESTING

## The West Discovers a High-Tech Gold Mine in Hungary

By Peter Serenyi

Reviews

**BUDAPEST**—Picked as one of Europe's 25 most promising high-technology companies, the Hungarian software maker Cyron Kft. had everything going for it—except customers and sales.

Despite beating out almost 300 companies in a European Union competition, the three-employee start-up had sales of \$43,000 and fewer than 20 clients until a company from California's Silicon Valley company invested in it.

Mindmaker Inc. of San Jose, California, bought Cyron last July and this year will ship 50,000 copies of DataScope, Cyron's data-processing software, to clients worldwide.

"The problem for Cyron was that their product was not marketed," said Jozsef Kiraly, chairman of Mindmaker.

The company increased Cyron's staff to 20 as part of a \$15 million investment drive.

"We can build the company up to the level that is needed to do development with the speed required today," Mr. Kiraly said.

Mindmaker is one of a growing number of companies investing millions of dollars in Hungary's high-technology industry, putting the country on the map as a potential Silicon Valley in Eastern Europe.

Hungarians are not newcomers to the field of high technology.

Andy Grove, a native of Budapest, founded Intel Corp., which makes chips for 90 percent of personal computers worldwide. Janos Neumann, a Hungarian mathematician, is considered to be the father of computers after his work in the 1940s.

Now some multinational

firms are picking Hungary to become their worldwide headquarters for research and development, while local success stories are proving Hungarians can produce software

"We think that Hungary has the largest number of people we can hire," said Gabor Eto, head of Nokia's Budapest research center.

Graphisoft NV of Bud-

**A growing number of companies are investing in Hungary, taking advantage of a work force highly trained in math and science. The country has produced a string of Nobel prize winners in those fields, and the costs of doing business there are much lower than in the West.**

apest became the world's third-largest maker of computer-design software used by architects after Gabor Bojar, a former professor, started the company in 1982 by pawning his wife's jewelry for \$5,000.

The company became the first software firm in Eastern Europe to issue shares to the public last June, raising 92 million Deutsche marks (\$51.6 million) on Frankfurt's Neuer Markt. But the stock has taken a dive from its issue price of 40 DM, falling to 19.60 euros (\$21.45) on Thursday.

Mr. Bojar said Hungary's strong tradition in mathematics helped to propel the company's success.

"The level of mathematical education in the secondary schools is still much higher than in the West," Mr. Bojar said from his headquarters in Graphisoft Park, a new office complex for high-tech firms that has been touted as a miniature Silicon Valley.

Hungary has produced a string of Nobel Prize winners in mathematics and science.

Albert Szent-Gyorgyi earned one in 1937 for discovering Vitamin C, and Janos Harsanyi, an economist, won the prestigious award in 1994 for his con-

tribution to game theory after emigrating to the United States.

Unlike Graphisoft, Recognita, a local image recognition software producer, decided to sell itself to the market leader Caere Corp. of the United States for \$3 million in order to expand its sales in Western markets.

"We definitely had extremely good technology, but we didn't have the chance to penetrate much more heavily into the world market," said Akos Reszler, chairman of Recognita, whose leading product, Recognita Plus, dominates Eastern Europe, Greece and Turkey with a market share of more than 80 percent.

"What we got from the new owner were much bigger chances for earning revenue and profit," Mr. Reszler said.

Last year, Recognita's profit surpassed the previous year by more than 10 times, to 310 million forints (\$1.4 million) on revenues of 870 million forints.

Mr. Reszler said Recognita had become an engineering hub for Caere, developing three out of its seven new products.

Software developers are very good here and are very competitive in terms of their educational skills and labor costs," Mr. Reszler said.

Official figures are not available for how much money foreign firms have invested in Hungary's software industry.

Mr. Bojar of Graphisoft put the figure between \$200 million and \$300 million, not including the money raised by Graphisoft's share issue.

That is still a trickle compared with the \$19 billion in foreign investment that Hungary has attracted since the fall of communism in 1989.

In a field where creative genius is just as important as technical rigor, Hungarians have an uncanny ability to come up with solutions that defy the textbook, said Gabor Kadas, chairman of Humansoft, a California electronic games developer that employs 30 software engineers in Budapest.

Once, he said, a vice president of a U.S. video game software maker visited Humansoft's Budapest offices to see how it was using mathematical formulas called algorithms to develop a 3-D engine for a game later praised in the U.S., German and Japanese magazines.

"The executive could hardly believe what he saw, Mr. Kadas recalled.

"He looked around the office and realized that we had absolutely no books and he asked, 'How did you come up with this technology?'" Mr. Kadas recollected during a phone interview from his San Mateo, California, headquarters.

"We said if we use the algorithms that are common in the book, then we would come up with the same solution," Mr. Kadas said. "The whole idea was to do something different."

Mr. Reszler of Recognita said 30 to 50 software startups in Hungary had products that could sell abroad, a prerequisite to success in Hungary's minuscule domestic market.

However, many local firms are reluctant to sell a stake to foreigners for fear of losing control, Mr. Reszler said.

Mr. Kiraly of Mindmaker said Hungarian software developers like Cyron also had to learn basic techniques of quality control that a Western company could teach.

"As soon as they learn the quality requirements, they can compete with anybody in the world," he said.

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ASIA/PACIFIC

# Moody's Cuts Nissan's Debt Rating to 'Junk'

**TOKYO**—A day after DaimlerChrysler AG ruled out buying Nissan Motor Co., Moody's Investors Service Inc. on Thursday cut the long-term debt rating of Japan's second-largest car company to "junk" status because of concern that it will have difficulty paying down its industry-high debt of 4.3 trillion yen (\$36 billion).

The U.S. rating concern lowered Nissan's senior unsecured debt rating to Ba1, or below investment grade, from Baa3 and said it may further cut the automaker's long-term rating. It also downgraded the ratings of Nissan's supported subsidiaries.

But Japanese media were reporting Thursday that Renault SA would buy a controlling stake in Nissan, saving the French carmaker a foothold in Asia.

The Nihon Keizai and Yomiuri newspapers reported that Renault would buy between 33.4 percent and 40 percent of Nissan. The companies hope to reach agreement by March 31, Yomiuri said, citing unnamed sources. Both companies declined comment on the reports.

A purchase would give Renault access to some of the world's most efficient factories, to markets in North America and Asia, where it has little presence, and to world-class technology. But Nissan's debt, scared away DaimlerChrysler and will be a big concern for Renault, analysts said.

"Nissan's debt worries a lot of people," said Remy Dumoulin, an analyst with HSBC Securities in Paris. He said some investors thought that if DaimlerChrysler "turned down the chance to buy Nissan, then surely there has to be a problem."

Nissan stock fell 12 percent Thursday, to close at 414 yen, while shares of its truck unit,

Nissan Diesel Co., closed at 176 yen, down 31. In Paris, Renault shares closed at 35 euros (\$38.34), down 1.55.

"We will positively consider alliances with companies other than DaimlerChrysler," Nissan said. "We will continue to explore joint projects with DaimlerChrysler that do not involve capital ties."

The downgrade reflects "the company's high debt levels and the long time period Moody's expects will be required for Nissan to reduce its debt load to more manageable

## The downgrade comes as Renault is considering a link with the Japanese automaker.

levels," Moody's said. The downgrade affects about \$9.5 billion of debt and could make it more expensive for Nissan to raise funds.

Moody's said the cash it would gain from a capital tie-up, such as with DaimlerChrysler or Renault, would not be enough to help the carmaker dig its way out of debt.

"The immediate cash provided by potential equity partners would only marginally improve the company's weak debt protection measurements," Moody's said.

Standard & Poor's Corp., the other dominant credit-rating concern, also threatened to lower its Nissan ratings "in the absence of an adequate injection of new equity."

Unless another automaker steps in to help, Nissan's plan to repay 1 trillion yen of debt by 2001 may take longer, said Kenji Tanaka, an auto analyst at Okasan Securities Co.

Nissan's president, Yoshikazu Hanawa, has

said the company is prepared to sell a controlling 33.4 percent stake in itself but is unwilling to yield management control. Without power over management, analysts said such an agreement was unlikely.

Renault's chairman, Louis Schweitzer, said Wednesday that the company was still studying a link with Nissan and Nissan Diesel, which is also deep in debt and losing money.

"This is both an opportunity and something that isn't easy because of the company and its current situation and also because of the cultural barriers that may exist," Mr. Schweitzer said.

"If Renault's talks with Nissan succeed, it is unthinkable that we not look at Nissan Diesel," said Patrick Faure, chief executive of Renault Vehicules Industriels, the company's truck unit. Mr. Faure, speaking Wednesday in Paris, said the talks between Nissan and Renault were in their final phase.

The Japanese automaker also is in talks with Ford Motor Co., according to Japanese media, which did not cite sources. Nissan declined comment on the report. Ford said this year that it was not interested in taking on a lot of debt.

Nissan operates three of the 15 most efficient factories in the world as measured by productivity per employee, the London-based Economist Intelligence Unit said in October. Analysts say its engine technology is among the best in the world. Renault's top factory was 39th.

Nissan has 22 factories outside Japan, including 10 elsewhere in Asia. It also has a factory in the United States, three in Europe, three in Africa and two in Latin America.

By contrast, Renault and other European automakers are too dependent on their home markets and suffer from poor quality, Graeme Maxton, a consultant for the Economist Intelligence Unit, said.

# Asia's Slump Slices Profit At Jardine

**HONG KONG**—Jardine Matheson Holdings Ltd., the Hong Kong trading company, said Thursday that its net profit tumbled 84 percent last year largely because of Hong Kong's recession and the economic slowdown in Asia.

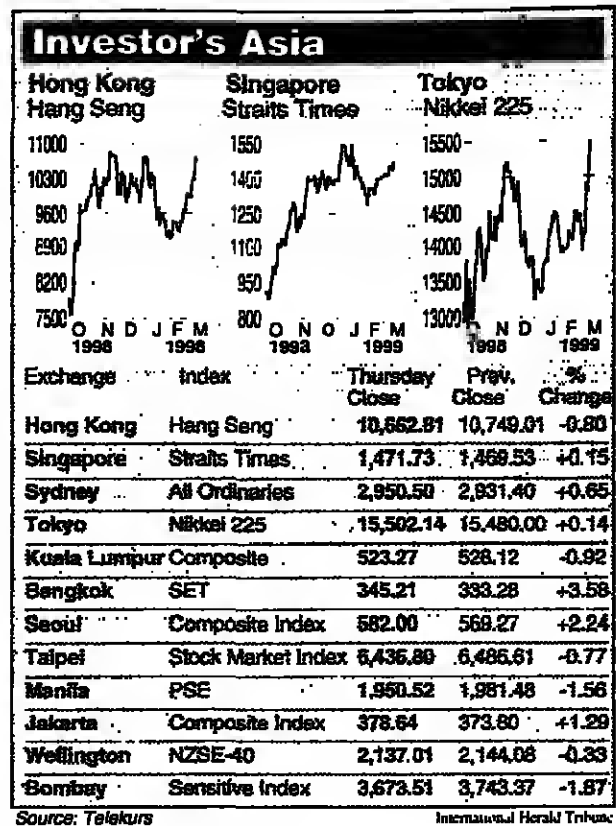
Jardine's concentration on marketing, trading services and office space left it especially vulnerable in Hong Kong, where the economy slumped 5.1 percent last year. The company posted net earnings of \$50.6 million, its least profitable year since the mid-1980s. Sales fell 2.5 percent to \$11.2 billion. Operating profit also fell 2.5 percent, to \$239 million. Jardine will pay a final dividend of 13.8 cents, down from 17.2 cents.

Jardine took a one-time charge of \$128.6 million to write off its interest in Ederan Omomoh National Bhd., the distributor of the Proton, Malaysia's best-selling car. "We're not forecasting at this point any recovery in our underlying markets," said Alasdair Morrison, the managing director of Jardine. "In general terms, we would expect most of our businesses to operate at similar levels as in 1998."

Analysts said the company's rebound may take time. "Jardine Matheson profits may recover in 1999, but it's going to be a very slow recovery," said Robert Sassoon, an analyst at SG Securities (H.K.) Ltd. "It's predominantly a Hong Kong company, and Hong Kong's economy isn't going to have a quick recovery."

Henry Keswick, the chairman of Jardine, said: "We expect depressed trading conditions to continue in Asia. It will be difficult to achieve growth in our businesses in 1999."

Jardine Strategic Holdings Ltd., a separate listed company with interlocking shareholding with Jardine Matheson, posted a loss of \$33 million. It was the first-ever loss for Jardine Strategic, which earned \$189 million in 1997.



## Very briefly:

- Telstra Corp.'s half-year profit rose 12 percent, to 1.81 billion Australian dollars (\$1.15 billion), as strong sales of data and mobile phone services offset falling international revenues.
- Prime Television Ltd.'s first-half profit fell 49 percent, to 5.31 million Australian dollars, as financial turmoil in Latin America drove its Argentina television network into losses.
- Philippine Long Distance Telephone Co.'s 1998 net profit fell to 1.12 billion pesos (\$28.3 million) from 7.65 billion pesos in 1997, but provisions for bad accounts and losses at its mobile phone unit should place it in line for healthier growth.
- SK Group agreed to buy 28.4 percent of its rival, Seangyong Oil Refining Co., and planned to assume management control. Financial details were not disclosed.
- NTT Mobile Communications Network Inc. will increase international dialing destinations to 201 countries from March 31, from only six at present.
- AngloGold Ltd. is seeking joint-venture partnerships with Australian producers to win a share in mines producing more than 200,000 ounces a year.
- Seagate Technology Inc. will invest another \$120 million in each of its two Chinese factories, more than doubling its investment in China over the next three to five years.
- Japan's private-sector machinery orders dropped 22.9 percent in January from a year earlier, the tenth consecutive month of decline.

# Firms Tighten Security After Thailand Killing

**BANGKOK**—Foreign business executives working with the Thai government on debt-restructuring plans put strict security measures into effect Thursday after the gangland-style murder of one of their colleagues.

A team of Australian insolvency advisers was evacuated from a central Thai province to Bangkok and placed under 24-hour security after the murder of Michael Wansley.

Mr. Wansley, an accountant and senior partner with Deloitte Touche Tohmatsu, led a team of 14 Australians working with the government to rebuild companies hurt by the Asian financial crisis, the company said.

"They now have 24-hour security, and the individuals are now

assessing whether or not they will leave," a Deloitte Touche representative said. "Obviously, we are concerned about the safety of our staff, but there is no sense of fear."

Mr. Wansley, 58, of Melbourne, was shot to death Wednesday on his way to a South Sathorn Planner Co. sugar mill in Nakhon Sawan Province, 240 kilometers (150 miles) north of Bangkok. He had

been working with the company on a debt-restructuring plan.

A police sergeant on a motorcycle had shot eight rounds from a pistol at Mr. Wansley. Four Thais in Mr. Wansley's van escaped injury.

"We have not yet established the motive, but it looks like a business conflict," the provincial police commander, Major General Surapol Sungkorn, said.

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March 11, 1999

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The fund



## Fashion

By Suzy Menkes

## Cerruti's Cool 'Futuristic Patchworks'

**P**ARIS — How much more artsy crafty stuff can fashion take? The fall collections are filled with clothes that are either a riposte to futurism, or are intended, with their handmade effects, to take clothes to another, more artistic dimension.

The only show to make sense of this was Cerruti, where designer Peter Spellopoulos famously coined the fashion phrase "nature versus NASA." This season Cerruti was into "futuristic patchworks." That describes both simple dresses with three-dimensional shining squares as decoration — and the way that modern pieces were mixed in the brisk-paced show.

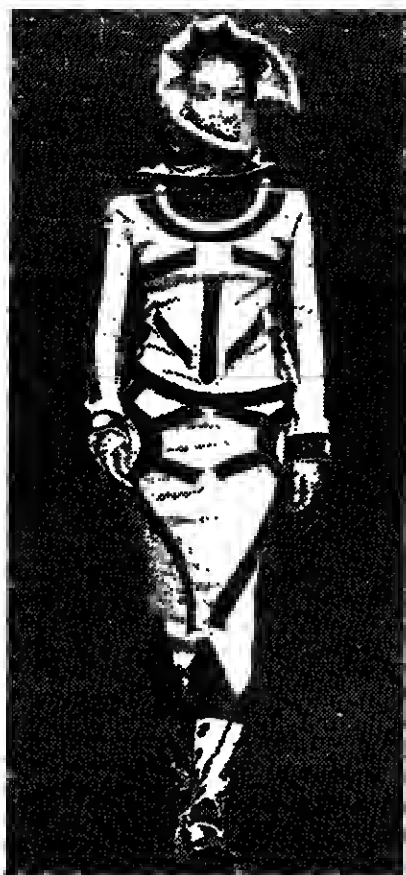
Out came the models on their sharp-heeled zippered-back boots, in clothes that were still built on Cerruti's tailoring base, but in a fresh way. The star was the coat, cut close to the body with a rave waist and shiny patent belt. An alternative play on textures offered against bare flesh the ponyskin and fur that hip designers are using for dresses and brief jackets.

This repetitive show won't change the face of fashion, but it offered a cool mix, with a peasant blouse under a streamlined black pantsuit and the jumper dress as a pivotal piece. And while relying on fabric research, it kept arty effects in check.

Ann Demeulemeester went a hit *sauvage* this season, sending out shearing coats so rugged and raw-edged that they looked as though they could costume "The Flintstones." But that was just the Belgian designer's take on the current hippie fling, and the styles were normal — following the same long wrapped lines she formerly used for knitted coats.

Demeulemeester's strength is that she moves forward to her own rhythm and in her own style, but if you look back at her earlier collections based on mannish pantsuits, she has changed quite radically, now focusing on dresses. They looked strong and sober in thick dry fabrics from wool through cotton.

Demeulemeester is also a queen of coats, applying her wrap technique to long dark designs that tied at the back to fine effect. Like so many cool modern designers, she deals in subtle personal signatures: the tuck on the arm which gives coat, jacket or plain dress a tweak of individuality; or the line of delicate open work stitches vertically at the midriff, touching sweaters with sex appeal. There was also an interesting range of



Miyake's raised-patterned Eskimo outfit; Laroche's off-the-shoulder dress; Demeulemeester's coat over long dress; Sitbon's op-art striped dress.

menswear in the same spirit.

Martine Sitbon put her sporty menswear, flashed with strong color, on the runway for the first time. And the question is: why does a modern-minded woman designer give the opposite sex all the straightforward clothes cut on just the right lines, yet offers a complicated wardrobe to her sisters?

Sitbon has a nice take on modern proportions and made a sly, sexy trench coat in a ripe apricot — orange shades being a theme of the show. But she is still heavily into artsy stuff — flowers appliquéd in lumpy shrouds of tulle and a surfeit of cut-out leaves. That was a pity, because the show started with a much stronger and cleaner linear theme, which was also arty, in that geometric lines

might be drawn down a dress or negative and positive effects be created in the black folds of a white pleated skirt. But there the theme enhanced, rather than overwhelmed, the clothes.

If you have to have artsy effects, they were nicely done at Lanvin, where the designer Cristina Ortiz used raised patterns to give surface interest to resolutely plain clothes. A dress would have pleats like paper darts pinched into its skirt, or pants had sneaky faux slits at the back. Using a palette of pale colors, primarily white, with ice blue or pale pink and sudden flashes of coral, the collection seemed more suited to a summer season. Ortiz succeeded in moving Lanvin's look forward from plain and minimal. But it is still unclear where this house is

going in terms of image. Compass swirls of embroidered sequins on an angular white dress are light-years away from the Parisian's traditional little black dress.

The promised regeneration of Paris houses is difficult to achieve — not because there aren't designers out there who make nice clothes — but how to give them any individual personality? Something fresh was expected at Guy Laroche on Thursday where Ronald Van der Kemp replaced Alber Elbaz (off to Yves Saint Laurent in the current game of designer musical chairs). Would the Dutch-born designer who was formerly with Barneys in New York, bring just the right trans-Atlantic blend of urban sportswear with European refinement.

What emerged on the runway was a coat. Pearl gray. A nice coat. Well cut. Just the thing you might find useful — if you didn't already have something similar in your closet. Good marks for the beige leather boots. And so the show went on. A perfectly nice, modern-ish bunch of clothes with a breath of originality in the off-the-shoulder knitwear and in the mud and brown colors, which might at least get through the winter better than pastels on most runways.

But why would anyone rush to Laroche to buy a black pantsuit, with or without its glitter sequined top? So what is the point of reviving culottes? If you want a silk print dress (a big interrogation point) the lightly traced prints with a Japanese character were OK. But as a statement for the house, or even as a

follow-up to the decorative femininity of Elbaz at his best, this collection was a blank sheet on which the design will have to start drawing a template for next season.

In a long and noble career, Issey Miyake has produced magical shows where inventive fabrics, ingenious clothes and an original mind came together in a poetic way. But this season's presentation was not one of them. Whether it was the distant venue, where paper sails fluttered on fine wires over a vast, empty space; or whether the clothes were just too abstruse and unappealing, the show failed to take flight — except at its finale when dresses unfurled into fledgling bird wings.

The theme of the show was transformation. But, as any magician knows, you can't offer your audience the same trick twice. The APOC (a piece of cloth which was snipped into a wardrobe on the runway last season, again opened the show, as the tubular jersey fabric that encased the models was attacked by assistants bearing scissors).

The rest of the clothes waved "art" like a banner — literally in the case of dresses carried on long poles down the runway to proceed relatively simple garments with weird surfaces. Shaggy, ragged effects made dresses and even shearing coats look as though they had been pecked apart in a bird sanctuary. Other Eskimo outfits with padded markings also looked as though they had been inspired by nature studies in the National Geographical Magazine and translated far too literally to the runway — a rare example from an exceptional designer of a blip in the creative process.

This should be Kenzo's moment — and in a way it is. He has just been feted in New York where he won the "Time for Peace Award," when the United Nations ambassadors invited him to create a dress. That lilac satin embroidered gown was the finale to a show dedicated to rustic clothes and Renaissance princesses. That meant woody daywear — all earthy and leafy textures, with rugged curly lamb collars on sweeping coats and knits as hairy as some jungle beast. For evening, pre-Raphaelite waves tumbled over velvet gowns and coats with artistic patterns worked at the back. But while other runways are awash with the merry, colorful peasants in just the folkloric multiethnic clothes on which Kenzo built his reputation, the designer now inhabits another fashion planet.

SUZY MENKES is the fashion editor of the International Herald Tribune.





FASHION / A SPECIAL REPORT

# When Art Mocks — and Inspires — Fashion

By Rebecca Voight

PARIS — "One thing is sure. There are more fashion designers who want to be artists than the other way around," says Elain Fleiss, co-founder of Purple, fashion's artiest style review.

That may be true, but there are an increasing number of artists rummaging through the collective closet. Their takes on the rituals of dressing and modern brand lust could pass for avant-garde clothing collections, or fashion ads.

The American artist Steve Miller's "My Mother's Purse" is an X-ray view of the bag filled with long-stemmed roses. For Miller, whose medically inspired art employs CAT scans and microscopic views, fashion is irresistible. "It all started a few years ago when I was given a pair of Roger Vivier pumps to illustrate for a book. I never saw anything so beautiful. They looked like black Ferraris, so I took them to the hospital and had them X-rayed."

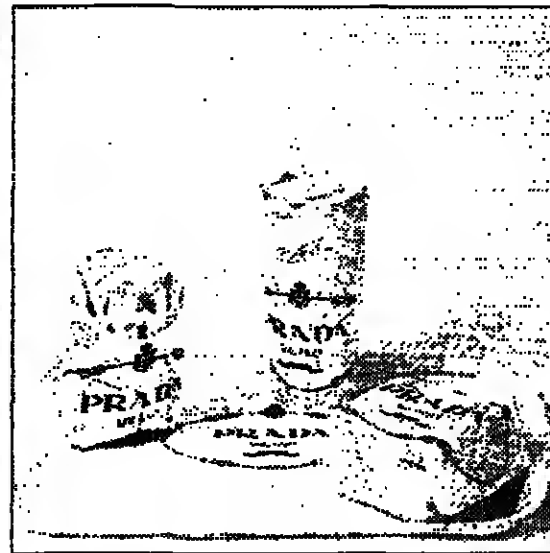
Miller went on to explore his mother's designer shoe collection. And when he came to Paris, among the first to buy one of his purse X-ray paintings was the house of Chanel. "Fashion objects have incredible power. They are superficial and profound," says Miller. "We've gone from Andy Warhol's star system to the object system."

Caroline Smulders of the Thaddaeus Ropac gallery in Paris, whose exhibition "Sous le Manteau" included the clothing-inspired work of 43 artists in 1997, says artists are obsessed by fashion. "It fascinates them because of the attention it generates," says Smulders. "Contemporary art has to get out of the gallery. The art world is too small. Very few people wear designer clothes, but more people watch fashion shows on television than will ever visit a gallery."

"Sous le Manteau's" catalogue looks like an advance plan of fashion's forward moves. The photographers Wolfgang Tillmans from Germany and Dutch partners Inez Van Lamsweerde and Vinoodh Matadin participated in the show as artists. Since then they have been picked up by the fashion world. The artist Mathieu Manche's grotesque body parts stacked on a table and photographed on models as accessories and Oliver Herring's coats knit from silver Mylar yarn have all been amply echoed on recent runways.



Artists are making forays into the fashion world and, in return, giving their own take on the rituals of dressing. At left, Steve Miller's "My Mother's Purse," at right, Tom Sachs's "Prada Value meal."



Herring, who collaborated with Rei Kawakubo for Florence's first Rei Kawakubo Biennale in 1996, has been using knitting in his work for years. "The Biennale is a meeting of two different worlds. Rei and I tried to create a third world without overlapping," he says.

Herring says he continues to knit his pieces from coats to human figures "as a process to transform and not a reference to fashion." But he concedes he is fascinated by clothes and that designers are into his work. "It was funny to see Mylar sweaters show up on the runway two years later," Herring is now knitting

chairs and shelves with wood. History doesn't lack examples of artists' fashion forays. From the painter Sonia Delaunay's "simultaneous dresses" which injected graphic color into '20s fashion to Marcel Duchamp's drag incarnation as Rose Selavy photographed by Man Ray for the bonle of the fictional Belle Haine Eau de Violette, artists mock fashion a line and inspire it a great deal.

FOR HIS winter men's collection, Kenzo worked on the style of Joseph Beuys. And in 1970, Beuys produced a very fashionable "self-portrait," a limited edition of 100 of his own felt suits.

Art and fashion may get together, but artists still limit their fashion work to representation," says Purple's Fleiss. "Pascale Gatten from Holland dips into fashion, but she doesn't want to be trapped by it. And photographer Wolfgang Tillmans limits his commercial work. He doesn't even have an agent," she explains. "Artists create beyond fashion's rules, even if there is a

crossover at times." Niels Klavens of the Netherlands considers himself a fashion designer, but his multi-armed jackets and layers of coats and pants with innumerable legs seem better suited to a gallery than a commercial runway.

Klavens will show with a group of young designers, all graduates of the Netherlands' Arnhem Academy during the Paris collections. Yet to produce a commercial collection, he already has attracted a fashion following. Even the French weekly Elle seems to be under his influence. The magazine recently devoted a fashion spread inspired by his mad layering, featuring pants, shirts and skirts piled on top of another, six or seven at a time.

Smulders was surprised by the number of visitors to Thaddaeus Ropac's recent show of Tom Sachs's "Creativity is the Enemy." The current works of the American artist include what he calls "dub versions" or remixes of designer logos from his Chanel guillotine dining table to the Prada death camp and Hermes happy meal. "Sachs had

never shown in Europe before," said Smulders. "One would imagine he was unknown here, but many of the pieces were sold before the show opened."

The artist's dark, albeit humorous view of fashion's stranglehold on culture, didn't deter Paris's fashion community from turning out in force. For them it was just another big style event. But for Sachs, fashion is dead, or at least he has moved on.

Fashion, one of the examples of what he calls "cultural prosthetics," followed on the heels of his work with zip guns, the firearms made from bits of pipe used by street kids. From fashion he has moved on to airplane toilets. "That's the only space where you can be alone on a plane," he says. The toilets are the starting point of the R&D phase for his upcoming show in New York next fall which, he says, will add transportation to his favorite themes: death, horror, genocide and sex.

Fashion and art are, however, not always so opposed. "It's like a game of Ping-Pong," says the artist Fabrice Langlade of the relationship between art and clothes. Langlade began his Chrysalides, a series based on dresses, for Smulders' "Sous le Manteau" show. The dresses formed with an industrial plastic material that looks like a strip of glue, trace the words of the first two chapters of Mikhail Bulgakov's "The Master and Margarita." He based them on a pattern supplied by his friend, the Italian designer Carlo Ponti. And now Barneys New York has taken one to introduce its Ponti collection in the store.

Langlade thinks culture has become too sectarian. "I remember, growing up in Paris in the early 1980s, Jean Paul Gaultier was a friend and I modeled for one of his early menswear shows. Artists and designers mixed more then, there was a constant exchange. Today everything is too cut off."

REBECCA VOIGHT is a free-lance journalist based in Paris.



Combat pants, part of the original street uniform.

## Is Utility Chic An Imposter?

By James Sherwood

LONDON — What have international designers learned from London street style? Well, they have seen the future and it is Utility Chic. They have drawn inspiration for the spring/summer '99 collections from khaki, Velcro, hip holster bags, combat pants pockets and trophy trainers. Utility is high fashion's spin on the urban street uniform. It's high fashion in a techno-sporty-dressed-down kind of way.

So unanimous was the utility drive that you would be forgiven for thinking Madame Mao had risen from the grave to give Miuccia Prada, Jil Sander and Ralph Lauren a master class in sartorial cloning. There is only one problem. Utility is an imposter. It is the '90s take on Marie-Antoinette playing milkmaid in the Trianon.

"In my opinion, Prada is copying styles that have been worn by the really cool people for years," says Browns Focus buyer Monserrat Mukherjee. "You saw them in the streets with cross shoulder bags from Man

### COMMENTARY

hattan Portage, wearing the original camouflage, army surplus stock and knife-proof hooded jackets designed and made in dodgy Soho stores. The street uniform came from a truly creative bunch of stylists, DJs and students; all of whom didn't have a regular income. They made their own fashion identity. It is the kids who are the real survivors of urban life. They are the ones who make real use of streetwear simply because they are the ones who take the tube, get soaked when they are touting their portfolios around London in the rain and live the life."

Utility equips the high fashion consumer for a life she simply does not live. It isn't a jungle out there, urban or otherwise, for the woman who buys mainline Gucci. And there is something distasteful about spending three-figure sums for a designer's interpretation of the combat pants: a second-hand army surplus item originally bought for £7.

"Everyone on the British high street is bumping out copies of khaki Helmut Lang combats," says Max Karie, owner of the Soho boutique Shop. "And if big designers are copying street style, then it is disastrous: a vicious circle. Face it, nobody is going to buy labeled combat pants at Miu Miu when they can go to source at London army surplus store Laurence Corner or New York's Old Navy. It's a depressing thought that we will all approach the millennium wearing fleece. Shop girls are more into a bit of price from Toccoa, a bit of glimmer from Hysteric Glamour and a bit of fun from our own-label Shoppgirl designed by former Bodymap designer Stevie Stewart. Sportswear is just a victim of its own popularity."

Sportswear was a street uniform born in the dark ages of early '90s Grunge. The Puffa jacket, combat pants and trophy trainer were adopted by a generation of DJs, dealers, skate kids and underground clubbers. It signified the disillusionment of Generation X. These were cruel world clothes: wind, bullet and knife repellent fabrics cut into streamlined urban armor-plating. It was a don't-touch, Teflon-coated declaration of independence from the chichi fashion labels.

EIGHT years later, street style is repackaged as sanitized, aerodynamic Utility Chic. No matter that the original sportswear "Gangstas" had grown up and opened conceptual art galleries or chains of sandwich shops in Covent Garden. In 1999, you would be forgiven for thinking Velcro, fleece, toggles and Neoprene are the new religion. There is no disputing the popularity of sportswear. People like it. People buy it. So a sportier designer line makes sense. Prada Sport? Fine in a youth context. Sportmax Code? Naturally for the new generation.

"Could anybody really avoid the incredible power of a shoulder bag that carries everything for the daily battle or the attraction of a waterproof jacket?" says Monserrat Mukherjee. "Could anybody with a good business sense let these wonderful designs go without making millions out of them? But, that said, I like designers to be creative and adventuresome and follow their own rules and instinct."

When a maverick designer like Donatella Versace translated the combat pants pocket into a pink crystal-encrusted couture gown for her debut couture collection, we knew the sport influence had gone too far.

Sport is a blanket term in fashion: a cover-all label that unfairly implicates designers in the sportswear scam. American designers, in particular, have a heritage of sport couture stretching back to Claire McCardell via Zoran, Ann Klein, Halston and big three Calvin Klein, Donna Karan and Ralph Lauren. Sport couture is, in a nutshell, easy shape and luxe make.

The shapes may be sporty in a weekend, cruise kind of American way, but they owe more to 1920s Coco Chanel on the Riviera than Michael Jordan on the basketball court. And you cannot mistake the Mark Eisen, Michael Kors, Narciso Rodriguez troika's four-ply cashmeres, bugle-bead spattered tulle, 100 percent parachute silk and edible merino wools for Utility. These are self-indulgent, easy fabrics. Teelino sport, meanwhile, is just plain lazy.

Understandably, the futuristic quality of test-tube fabrics may appeal to some designers' millennial tendencies. But why are we streamlining for the year 2000? Yes, we are becoming one global race. But that doesn't mean we need to be kitted out in stay-press, machine-washable synthetics like Barbarella every time we travel.

A much more modern approach to uncertain times is identified by Matthew Williamson in the tide of his autumn/winter 99/2000 show: "Glomad." "I am informed rummaging around a very eclectic, by travel," he says. "I am working around a very eclectic, global approach to dressing: a grab-bag of cross-cultural references that, together, is uniquely interesting. Uniform dressing isn't in the vocabulary of the women I dress."

JAMES SHERWOOD is a weekly columnist for the Independent on Sunday.

## Paris Boutiques Showcase Artists and Designers

By Pat McColl

PARIS — While fashion designers often turn to art for inspiration, increasingly the fashion crowd is turning to the art world to add another dimension to its boutiques.

Since April, at the Lagerfeld Gallery, 40 Rue de Seine, in a space designed by Andree Putman, Karl Lagerfeld has been exhibiting his photographs — the current exhibition is of portraits printed on aluminum — on one level with almost one-of-a-kind clothes displayed on a lower level. Sprinkled about the boutique are art books and magazines that Lagerfeld has chosen: plus a version of the Fendi "baguette" bag also designed by Lagerfeld.

The newest artist/designer boutique is that of Marion Lesage, 15 Rue du Pre aux Clercs, which opened last week. All the clothes, mostly made in India from fabrics of her choice, and the watercolors that line the walls of the shop are her creation. As at the Lagerfeld gallery, everything is for sale.

Lesage, formerly a designer for Indies, said: "Three years ago, I

dropped out to have a baby and to travel." Her travels took her to North Africa and India, the inspirations for most of her art. While in India, she worked with her brother Jean Francois, an embroiderer who lives there — their father is the couture embroiderer Francois Lesage. She created embroidered flat slippers and, with her brother, fabrics and his signature pillows that she will have in the shop.

Other objects are her flea market finds, ranging from seed jars from London's Kew Gardens to tiny metal lanterns that used to hang on the looms of fabric weavers in Lyon. In the same artisanal mood is a collection of bowls and plates made for Lesage by Christian Perrochon and ethnic jewelry by Dominique Biard. Although Aziade Ikewa designs one of the six collections in her shop, La Boutique, 39 Rue du Temple, she is not an artist. But, when she came across the works of Alain Nahmais to a small museum in Montmartre, she transformed half her space into an art gallery. "I thought they were so special that I just had to have them," said Ikewa. Sporadically in the six years since she opened her shop, she has held other art exhibitions. The reaction to



Interior of Lagerfeld Gallery, designed by Andree Putman.

Nahmais's "assemblages" has been so positive that she plans to find other young artists and continue mixing clothes and art.

About his work, Nahmais says: "You can't really call them sculptures so that's why I call them 'assemblages.'" From a distance, the wall hangings and seated figures look vaguely African, vaguely Na-

tive American. Up close, they are mixes of hits of fabrics, roots, feathers, even a pumpkin, with the hits adding up to a witty charm.

Ikewa's approach to the designers in her shop is to "work with my instincts." A best seller this winter was a felt wool tunic by a young Laotian designer, Yao Souka.

AT 30 Rue du Temple is L'Epicierie. Why call a fashion boutique cum art gallery "the grocery store?" "Everyone goes to a grocery store and we want everyone to come here," said one of the shop's three creators, Antoine, who goes only by his first name. He and his associates, Artus and Ramdane, who also only go by their first names, admit that the concept behind L'Epicierie was Colene, the trendy boutique that pioneered the mixed media boutique/gallery idea in Paris. As a backhanded compliment, one of L'Epicierie's best sellers when it opened last September was a T-shirt printed "Polette."

They add that they are doing the concept their way. Their first priority was to find a space with three connecting rooms: one to be used as

an art gallery, one for the clothes and accessories, and one with sofas and a selection of avant-garde magazines where customers could relax. Artus handles the art gallery, Antoine is fashion director and Ramdane is the business manager.

"We are a real art gallery and have 10 artists under contract," said Artus. The 14 names painted on the boutique's door — from Marc Jacobs to Jeremy Scott to Niels Klavens to Gaspard Yurkievich — represent a who's who of avant-garde designers. Most of these designers are represented by one or two outfits. The boutique also does its own collection called Basics, which for spring featured camouflage prints for bomber jackets, cargo pants, watch bands and crabs helmets.

This week it will begin exhibiting the works of 50 avant-garde photographers. L'Epicierie will hold a fashion show on Friday in the boutique.

Meanwhile, at Colene, 213 Rue St. Honore, the gallery on the mezzanine level will feature Dutch photographers Anuschka Bloomers and Niels Schumm.

PAT MCCOLL is a free-lance journalist based in Paris.

YVES SAINT LAURENT  
rive gauche



## FASHION / A SPECIAL REPORT

# The Extras That Count (and the Zanier the Better)

## Accessory Designers in Britain Cash In on Their Eccentricity

By Roger Tredre

**L**ONDON — While accessory designers in London may be the unsung heroes of the city's revival as a fashion hotspot, the problem is some of them are victims of their own success.

Britain's accessory designers are spending much of their time creating one-off pieces for other designers' runway shows in London, Paris and Milan — time that could, and arguably should, be spent developing their own businesses.

For Scott Wilson, who first made his name in the mid-'90s with hard-edged body adornment pieces, this season was the moment to make a stand. Wilson's only runway show for fall '99 was in Milan, a 30-piece Perspex collection for the British designer Rifa Ozbek.

"I have had to turn down other runways," says Wilson. "It's time to build my own business."

Wilson, who studied jewelry design at Middlesex Polytechnic and millinery at the Royal College of Art, has previously worked on runway shows for Hussein Chalayan, Antonio Berardi, Julien McDonald, Tristan Webber and Thierry Mugler. He landed his first show, for Karl Lagerfeld in 1995, while still at college.

Scott's leather cuffs, bracelets, necklaces and chokers, many adorned with mirrors, were being snapped up by buyers at the London Designers Exhibition last month. It appears he has made the right decision to focus on his own label this season.

Wilson acknowledges the dilemma. "One-off pieces are the ultimate expression of my work, but they can be very time-consuming. I just did shows for the first 15 months after leaving college. I remember Thierry Mugler paid me about £5,000, which sounded great, but by the time I had taken on staff and worked it all out, I was earning less than £250 a week."

On the other hand, as Wilson acknowledges, runway shows provide accessory designers with the press coverage they crave. Philip Treacy, the only British accessory designer to stage his own shows, made his name on the runway, particularly through his long-standing link with Chanel and Karl Lagerfeld.

But Treacy's high-profile shows this season in both London and New York are balanced by commercial collections, including a line for the high street department store group Debenhams.

"Philip understands how the high street works and creates exquisite designs without compromising his style," says Belinda Earl, trading director of Debenhams.

Why are British accessory designers in such demand? For much the same reasons as the country's clothing designers. "We are creative and eccentric as a nation," says Lucille Lewin, owner of designer store group Whistles. "This sort of battiness translates fantastically well into accessories."

Designers return the compliment by saying store buyers are proving much more adventurous.

"For a change, they really love the unusual pieces," says Sian Evans, a jewelry designer firmly in the creative eccentric camp. "A few years ago, buyers would not have bought jewelry that didn't use traditional materials."

Evans's big hit for the fall: plastic and silver necklaces and bracelets that close at the back with stationary file clips. She found her inspiration while recovering in a hospital in France after a snowboarding accident. The slogans on the necklaces read: "For external use only," and "This product may damage your health."

Evans has also developed bracelets in a metal called niobium. "It is light refractive and takes color very well," she says, holding out a shimmering piece. "They use it to make spaceships."

Another designer to make the most of unusual materials is Samantha Heskinen, who has produced a collection of bags for fall covered with decorative water buffalo bone. "I found it in the Far East," she says. "The real breakthrough was when I discovered it could be dyed."

Accessories can be a touchy-feely thing, just as much as clothes. Neisha Crossland's pure angora wraps and stoles were another London Fashion Week talking point. "People just feel the fabric and love it," says Crossland.

A dose of creative eccentricity seems to infect anyone who chooses to make their home in London. Pamina Brassey, a New Yorker now living in London, makes Pamina jewelry from recycled glass fused with silver. "My main inspiration comes from wandering round Chelsea looking at cars that have been broken into. The broken glass glistens so nicely in the sunlight."

**W**HAT do the inhabitants of Chelsea make of her? "People do get bothered by me, hunched over the gutters picking up pieces of glass."

The most unlikely hit of the season has been Ann-Louise Roswald's clogs, which have turned into a cult shoe. The run on clogs began last fall when Roswald's clogs were chosen for the Mami show in Milan. "It's like everyone has gone clogs mad," says Roswald, still reeling with delight after a Japanese store placed an order for 250 pairs.

Roswald's Swedish father has been making clogs for 20 years. His daughter has designed them for fall in knitted lambswool and red leather. "And now we are going to be up all night over the summer making them for half the fashion world," laughs Roswald.

London's accessory designers have other gripes. Like the majority of the city's fashion designers, they are small businesses that depend on publicity. "Magazine stylists are forced to use big names from Italy in their shoots," complains Samantha Heskinen. "We don't get much of a look-in."

One fashion editor admits she has a point. "Of course, we are under pressure to use the major advertisers in our shoots. And small British designers don't have the money to advertise."

Still, every editor worthy of the name enjoys hunting down and featuring the new. Anna Stammer, a new London designer who makes knitted lampshades, found one of her shades given pride of place in a feature in the March issue of British Vogue.

"My phone hasn't stopped ringing," she says. "I'm going to be kept busy."

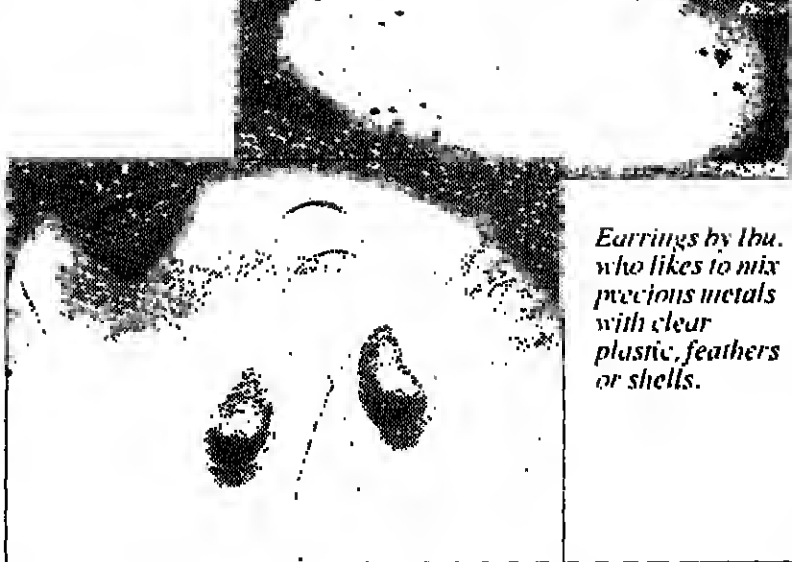
ROGER TREDRE is a free-lance journalist based in London.

## Getting A New Image

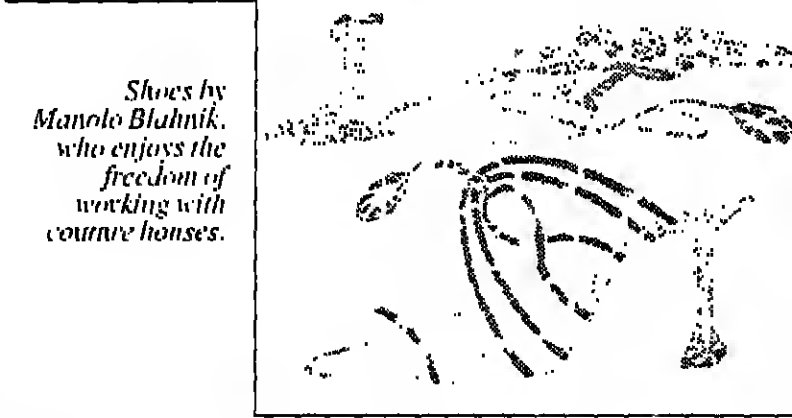


Above: Lulu Guinness's "rose basket" bag. At left: Karl Lagerfeld's futuristic 2005 handbags.

One of Jerome Lemaire's asymmetrical felt hats.



Earrings by Manolo Blahnik, who likes to mix precious metals with clear plastic, feathers or shells.



Shoes by Manolo Blahnik, who enjoys the freedom of working with couture houses.

## Minimalism Got You Down? Take a Walk on the Wild Side

By Michele Loyer

**P**ARIS — Signature accessories are out. Today, accessories must be imaginative — even a bit wild — or they won't sell.

"Women use them to define their personalities and introduce a poetic element into their daily lives," says Christian Lacroix.

The minimalist trend prevailing in today's fashion," adds Nicole Fischelis, vice president and fashion director of Saks, New York, "needs the boost of colorful and exciting accessories. We are observing the emergence of a new breed of highly innovative products."

The boom is good news for designers and retailers. Accessories require less technical savvy for designers than ready to wear but generate high-profit margins for retailers. Often these are impulse purchases. "Buying a bag or a hat has more to do with emotion than reason," says the avant-garde Parisian retailer Maria Luisa Pomaillou. "Even a conservative woman will at times feel like buying a really outrageous hat or handbag."

Accessories, says Chanel's creative director, Karl Lagerfeld, "are very helpful to revamp a look that is becoming tired. But when they become too much of a signature, it's time to get rid of them."

The iconoclastic designer has been doing away with most of the Chanel clichés: Gone are the perennial camellias, pearls and moogrammed buttons, replaced by more contemporary accents. One of his recent bags, the futuristic body-molded 2005, is on its way to becoming a best-seller.

Innovation in accessories can mean the use of high-tech fabrics, while for daytime or eveningwear, it is often embellishment: intricate embroideries or beading on textile.

Like other specialty stores, Saks Fifth Avenue has enlarged and restructured its accessory departments and given them more pages in its catalogues.

Le Bon Marche, the Parisian bastion of traditional chic known since it opened at the end of the last century for the quality of its hat department, banks on its expertise with accessories to attract a top-notch clientele. When the store was revamped, accessories were given more space and strategically moved to the fore. "Our clientele has reacted very positively," says Jacqueline Segal, Le Bon Marche's accessory buyer.

Maria Luisa uses her Rue Cambon boutique as a showcase for the most creative international names. She recently opened a second boutique entirely devoted to the British shoe designer Manolo Blahnik, and her main shop carries handbags and hats designed by some of the most individualistic — and zaniest — accessory designers. Right now the most novel accessory is the handbag, she says, which has gone from practical to ornamental: its size has become miniature and its look has been made precious with embroidery or beading. "More and more women are using bags as an ornament," she says.

"British designers are extremely gifted with accessories," she says. "They just let themselves go their normal eccentric way and effortlessly express what the market demands."

As for the designers, they have one

thing in common: strong individualism and an often-expressed desire to keep their business small and unencumbered.

Lulu Guinness is one of them. Nominated accessory designer of the year at the British Fashion Awards 1999, she quickly made a name for herself as an inventive handbag designer.

"I started designing bags because I always loved vintage accessories such as the wonderfully eccentric and feminine Schiaparelli bags which I bought at the flea markets. I never wanted to design serious leather bags."

Instead, she started a cottage industry. Her production is about 100 bags a season, all handmade by a team of "little old ladies" in the English countryside.

Her delicate, ultrafeminine styles come in fabric or straw, with elaborate embroideries or beading. Her best-seller, the "rose basket," in black satin appliqued with red roses, is on permanent exhibit at the Victoria and Albert Museum.

For his accessories, Manolo Blahnik often creates shoes for couture houses. "I find that those designers who know exactly what they want are also the ones who give you more freedom to express your own ideas," Blahnik says. Working for John Galiano has been a pleasure, he says, because "we share the same taste for extreme sophistication with a touch of European flair."

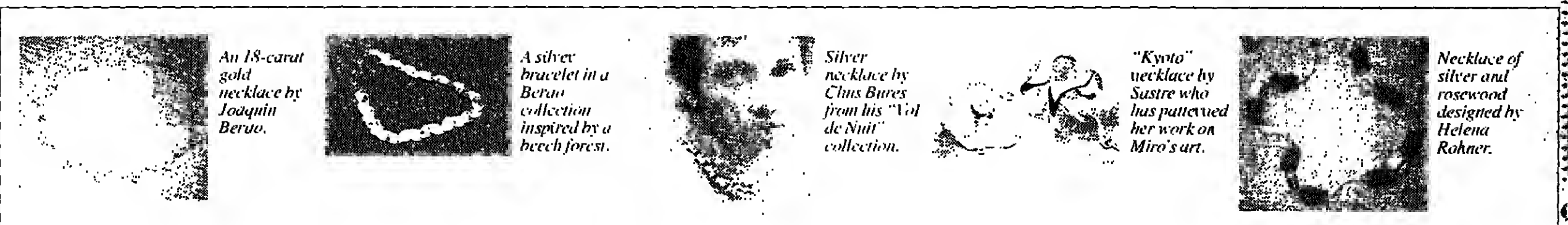
**O**NE of the most consistent contributors to couture houses is Raymond Massaro, who has followed his father and grandfather. Since 1894, when the first Massaro studio opened on the fashionable Rue de la Paix in Paris, the order book has read like the social register.

Several of the shoes he has created for couture houses now belong to history: the beige and black sandals designed for Coco Chanel in the '60s that became Chanel's signature and the ballet slippers designed for Madame Gres in the early '50s that, once adopted by Brigitte Bardot, turned into the symbol of a be-bopping generation and which, 50 years later, are making a comeback. Lately, Massaro designed a pair of iconoclastic black satin combat boots for Chanel.

Ibu, who emigrated from Poland to the United States at age 13, designs her own jewelry, mixing precious metals with clear plastic or feathers, shells or driftwood. Two seasons ago, Lagerfeld borrowed her heavy gold chain-belt and multiple strands coral beads rope to accessorize his winter '98 collection. Ibu's contribution to Chanel's spring 99 couture collection are minimalist disk-shaped buttons in solid gold.

But the road to success is rarely paved with gold for the beginners. Jerome Lemaire, 25, a former hatdresser who apprenticed with the last theatrical hatter in Paris, presented his first collection of hats for the winter 1999 season. His designs are quietly elegant felt berets or soft cones with discreet beaded motifs. Some of the best boutiques and department stores in Paris now carry his hats, but the young stylist has not been able to afford a real workshop. He still molds his hats in the kitchen of his small studio apartment.

MICHELE LOYER is a free-lance journalist based in Paris.



## Spain's Vanguard Designers Turn to Distant Cultures for Inspiration

By Al Goodman

**M**ADRID — What do the American literary icon Paul Bowles, the late Spanish artist Joan Miro and an icy national park called Torre del Paine in southern Chile have in common?

Nothing much, except Spain's vanguard jewelry movement.

Hungry for inspiration, a small cluster of designers who say that diamonds are not their best friends have turned to art, distant cultures and nature to spur their creative juices.

The results include Chus Bures's new collection of honeycomb and lattice jewelry based on Moroccan traditions,

which won him a rare endorsement, used in promotional materials, from the expatriate Bowles in Tanger. Or Chelo Sastre's sterling silver earrings and pendants patterned on Miro's art and approved by his family.

There is also Joaquin Berao's latest sleek offering based on the icy forms seen on his trip in 1998 to the Paine national park in Chile.

"They brought art into the design of jewelry. Some are pieces like sculpture," said Linda Heras, an American who works for the Spanish clothing designer Roberto Verino. "Some are exaggerated. The necklaces are bigger. But it's wearable."

And it is increasingly available outside of Spain, at boutiques, museum gift shops, even department stores. The prices range from about \$27 to \$6,700.

Berao, 33, and Sastre, 34, are the veterans of the movement. Bures, 41, has perhaps dabbled in the most sidelines, such as outsized wool carpets and black damask vessels. There are also relative newcomers, like Helena Rohner, 31, who produces two jewelry collections a year to keep pace with clothing designers.

Berao started at age 15 in his brother-in-law's jewelry workshop in Madrid. But like the other vanguard designers here, he traveled abroad extensively in his formative twenties, and charted an unorthodox course.

"Traditional jewelry never breaks out. It's always the same. I try to break out and give more feeling and soul," Berao said. "I try to break out and give more feeling and soul." Berao fashioned spiral bracelets in the 1980s with titanium, long before Frank Gehry used the material to cover his Guggenheim Museum in Bilbao. But lately Berao has focused on gold and silver — somewhat more traditional, he concedes — yet with his special volumes, like weighty rings, or nature themes.

A \$180 pendant features a single, almond-like silver lobe, to

reflect the pureness of the ice in the Paine park. There is also a version with three lobes, adjustable to fit the wearer's mood.

Another recent Berao collection was based on the Irati beech forest in northern Spain, and it includes a \$233 silver pendant with flower-like petals that can be held closely together or separated along the silk cord.

Perhaps the most commercially established of his group, Berao had sales last year of about \$1.7 million and he plans to double that within five years.

Sastre, of Barcelona, lived with Miro's grandson, the poet David Miro, until his death in 1991. The Miro family then asked her to create jewelry based on the artist's work, such as his characteristic curvy moons.

The collection of sterling silver pendants, earrings and pins debuted in 1993 for the centennial of his birth and the items still sell, ranging from \$45 to \$150.

Sastre has come a long way from her provocative jewelry in the 1970s meant to be worn on the breast, which women tended to use under see-through blouses. Her latest collection is "Series 2000," in which many of the silver pieces have holes of one sort or another, she said, "to go from one century to the next."

Chus Bures, a Barcelona native, began designing clothing accessories in the early 1980s in Madrid but gained fame for creating the sterling silver hair pin, with three sharp prongs, that the leading lady in Pedro Almodovar's 1986 film, "Matador," used to kill her lovers. The item still sells, for about \$145.

Bures has since made collections based on Federico Garcia Lorca sketches, in time for the centennial last year of the poet's birth, or another based on Thailand.

He called the latter series "TG-943," for the Thai Airways

flight number from Madrid to Bangkok that Bures rode frequently a few years ago to study traditional arts there.

A \$1,250 silver necklace in the collection has kind of a knit pattern, as delicate as rice puffs.

"My clients, whether 18 or 80, have something in common — culture," Bures said. "The taste for history, for art."

Bures's newest collection of jewelry, carpets and objects based on old Moroccan crafts has won praise even from Bowles, whom Bures said he visited in Tanger late last year, securing permission to use the elderly author's tape-recorded endorsement that was dictated to an aide.

"Chus Bures... takes what exists in Morocco and transforms it for the contemporary world," Bowles was quoted as saying. "I would say that more people like him are needed to expand knowledge and open the view."

**T**HE COLLECTION includes a \$1,065 handmade silver "Mbakabek" necklace of chainlike, layered rings. Rohner, in keeping with her up-and-coming status, has her headquarters in Madrid's historic Hapsburg district, unlike the more upscale Madrid and Barcelona addresses of her older predecessors in the jewelry vanguard.

Swiss on her father's side and Spanish by her Cunary Islands mother, Rohner earned an international relations degree at the London School of Economics and then plunged into jewelry.

She said she prefers to design small pieces, in keeping with her own petite size. She uses such combinations as the coolness of silver and the warmth of a rich tropical wood, like rosewood, to fashion a \$213 necklace, or a bangle of silver, ebony and olive, for \$145.

"I generally design for myself, what I would wear," Rohner said. "I don't want it to be inaccessible, but to complement."

AL GOODMAN reports for The New York Times from Spain.

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## WORLD ROUNDUP

### Executives Resign

**SOCCER** The power vacuum at the top of British football widened Thursday as the English Premier League's chairman and chief executive resigned.

The Premier League announced in a statement: "Today's meeting of the FA Premier League club chairmen has accepted the resignation of Sir John Quinton as chairman and Peter Leaver as chief executive." (AP)

### South Africa on Top

**CRICKET** South Africa dominated the opening day of the second test against New Zealand in Christchurch on Thursday.

The visitors dismissed the home team for a meager 168 in its first innings. South Africa then reached 54 for no wicket in its own first innings. (Reuters)

### Sampras and Hingis Lose

**TENNIS** Pete Sampras and Martina Hingis, the world's top-ranked tennis players, both lost Wednesday to unseeded players in parallel tournaments on the same court in Indian Wells, California.

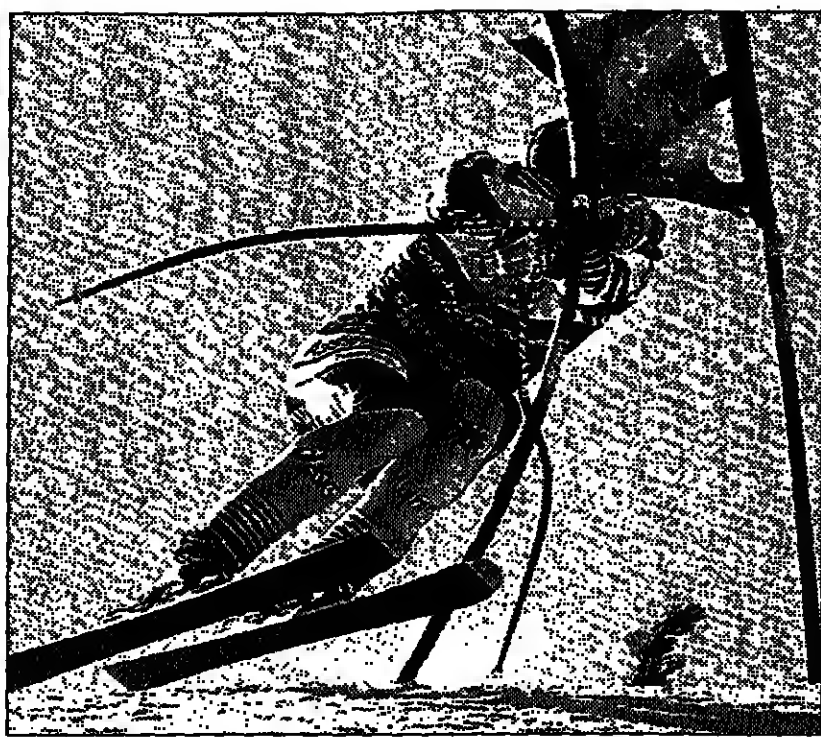
In the afternoon, Chanda Rubin controlled her Evert Cup quarterfinal to beat Hingis, the defending champion, 6-3, 7-6 (6-2). Later, Sampras committed 54 unforced errors as Felix Mantilla took a 7-6 (8-6), 3-6, 6-3 victory in their Newsweek Champions Cup quarterfinal match.

Hingis credited Rubin for out-playing her, while Sampras was left to look for reasons for his sloppy performance.

"I'm just scratching my head, just wondering what happened," he said. "Obviously, I haven't played many matches this year. It showed tonight." (AP)

### Penguins Win in Overtime

**ICE HOCKEY** Kip Miller scored with 2 minutes, 11 seconds left in overtime as the Pittsburgh Penguins rallied from a two-goal deficit in the third period to beat the host Carolina Hurricanes, 3-2, in the National Hockey League. (AP)



Hermann Maier crashing into a gate in the super-G final Thursday. He placed seventh, but won the seasonal championship in the discipline.

## Kjus Closing In on Title

He Earns 50 Points by Finishing 4th in Super-G

The Associated Press

**SIERRA NEVADA, Spain** — Christian Mayer gained his first super-G victory Thursday, but the winner of the overall title might be the man who finished fourth.

Lasse Kjus of Norway picked up 50 points, improving to 1,409 in the overall World Cup standings. With just two races left — the slalom Saturday and the giant slalom Sunday — Kjus is 92 points ahead of a fellow Norwegian, Kjetil Andre Aamodt, and 102 in front of Henning Maier of Austria.

Maier, who had won four consecutive super-Gs and had already clinched the season title in that discipline, placed seventh Thursday while Aamodt was 16th. Maier picked up 35 points but Aamodt got none since only the top 15 finishers got points in the World Cup finals.

Maier, overall World Cup winner last season, was asked if he still had a chance. "Of course," he said. "Next year." Aamodt, the 1994 overall champion, Kjus, who won the overall title in 1996, and Maier are all strong in the giant

slalom. But Maier is a weaker slalom skier than the two Norwegians and said he would not ski in the slalom this weekend. Since he trails by 102 points and can pick up a maximum of 100 in giant slalom, that would concede the overall title to one of the Norwegians.

Late Thursday, however, it seemed that Austrian team officials had pressured Maier into racing both the final two events. "Hermann goes to the slalom, it's 99 percent fixed," said Manfred Kimmel, a spokesman for the Austrian team.

Maier said that a tailwind in super-G helped skiers who raced night, but not himself since he skis in a track position. With most eyes on the top three in the overall World Cup standings, the Austrians swept the first three places in the super-G on Thursday. Mayer finished in 1 minute, 28.71 seconds, followed by Andreas Schiffrer in 1:29.06 and Josef Strobl in 1:29.53.

The women's super-G was postponed from Thursday to Friday because of high winds on the course.

## Soccer Isn't One of the Paris Sights

### Even After the World Cup, French Capital Lacks a Serious Team

By Peter Berlin

International Herald Tribune

**PARIS** — Less than a year ago, Paris was the capital of world sports and a million people danced on the Champs Elysees to celebrate winning a soccer game.

In the months since France won the World Cup, it has been difficult to sustain the illusion that this is a soccer city. London has six clubs in the English Premier League. Madrid has Real, the world club champion, and Atletico. Rome has Lazio, the Serie A leader, and Roma, one of its chief pursuers. Berlin is unified behind resurgent Hertha. Paris, meanwhile, has had Barnum & Bailey FC performing soccer slapstick at one end of town and the empty Stade de France at the other.

Yet for one night, Paris imitated a city with a passion for soccer. Red Star, a second-division team, rented the Stade for its match against St. Etienne on Wednesday. Ninety minutes later, Paris St. Germain, the prefalling first division club, kicked off against Nantes at Parc des Princes. An enterprising fan with a car could, if the *periphérique* flowed smoothly, see most of both games. A journalist from *L'Equipe*, the French sports daily, did just that. He took along an anglophone hitchhiker.

The double-header was not unprecedented. Racing Club and Stade Francaise used to share the old Parc des Princes and would, on occasion, play back-to-back, offering fans two first-division games for the price of one ticket. But those two clubs have long since tumbled from sight, to be replaced by PSG, whose history has been pockmarked with financial problems and mercenary changes of fortune.

Red Star, by contrast, is one of France's oldest clubs. It is based in St. Ouen, a working-class suburb sandwiched between the Paris city boundary and St. Denis, home of the Stade de France. It was the French cup five times but is now foundering at the bottom of the second division and is lucky to attract 3,000 fans to a game. On Wednesday, 45,000 came to see it try the Stade for size. It's a safe bet that the extra 42,000 didn't come to see the hapless home team.

The crowd broke the record for a second-division match—42,584—set in 1985 by Wednesday's visitors, St. Etienne, the club that dominated French

soccer in the '70s. St. Etienne remains one of the biggest draws in French soccer.

There was also something that Gaetan Desruelles, the Stade de France director-general, called the "Stade effect." This is, after all, a stadium whose official tours draw thousands of visitors even when nothing is happening there.

The Stade de France showed that it is an attraction, whatever the nature of the event. Desruelles said Wednesday. Ticket prices — from 43 francs (\$7) to 63 francs — helped too. The approaches to the ground teemed with schoolchildren. Inside, the ring of executive boxes was deserted. The sponsors' guests and nouveau fans who made up such a large part of every World Cup crowd also were missing. Even though 35,000 seats were empty, there were probably more lifelong soccer supporters in the Stade than at any previous match.

Even so, the fans struggled to create an atmosphere in the huge bowl of a stadium. Afterward, St. Etienne players, who play their home games in the imposing Geoffroy-Guichard Stadium, complained of the lack of intimacy.

The stadium also performed the double trick of making the players look smaller yet magnifying their many errors. They were, after all, treading in the bootprints of France and Brazil.

**ST. ETIENNE WON, 2-1.** To strengthen its grip on first place in the division and push Red Star closer to relegation from the second division. If it slips down a division, its hopes of becoming the permanent tenant would be put on hold. Stade authorities have said they won't settle for less than a second-division team. They also say the club should have an annual budget of 50 million francs, a tiny amount in soccer sports, but it could pose problems for Red Star, which has a budget of 35 million francs. Even so, it plans to be back.

"We will try the experiment again before the end of the season," said Jean-Claude Bras, the club president. "This test has been a huge success."

The Stade de France is a glittering sports palace in one of the capital's poorer and uglier suburbs. In the ritzy 16th district of Paris, PSG makes its home in an ugly, minimalist, claustrophobic concrete bowl; the unprincipled Parc des Princes. It is easy to understand why.

On Wednesday, PSG drew a declared attendance of 40,640. In truth, many of

the 24,000 season ticket holders have stopped showing up, and there were patches of empty seats along the two sides of the ground, where tickets cost up to 300 francs. But the two ends, where the younger and rowdier fans congregated, were full. The noise they made, though with a harsher, more disapproving edge than at the Stade de France, filled the arena. It is difficult to imagine a visiting player saying he wanted more intimacy with the "Boulogne Boys."

The New York Knicks basketball team and the New York Rangers ice hockey team still have to adjust their schedule when the circus comes to Madison Square Garden each spring. This season, Canal Plus, the French television network that owns PSG, seems to have taken the process a step further: PSG has become the circus.

The squad changes with dizzying speed. Sometimes players seem to be signed for marquee value rather than their ability to win games. Come see the amazing Nigerian Ball Juggler! The Mighty German Defender! The Italian Striker Who Wears Blue Gloves! And, you don't like them, never mind, they'll all be gone by the summer, replaced by new acts. Even the ring masters are switched every few months as Canal Plus desperately works through the ranks of its executives in search of one who knows something, anything, about running a soccer club and each new president quickly fires the coach and then fires the next one, too.

Meanwhile, PSG slides down the French league. On Wednesday, it drew, 0-0, with Nantes in a dreary game that left it 12th in the 18-team league. It was a match that raised doubts. If this was the best soccer Paris can offer, then it still isn't a soccer city.

### Batistuta Inspires Fiorentina

Gabriel Batistuta returned from injury and inspired Fiorentina to a place in the Italian cup final. Batistuta came on in the 66th minute, after Bologna had taken a 2-0 lead, to level the two-leg aggregate at 2-2. He did not score but drew Bologna's defenders, freeing teammates. Fiorentina looked more confident with its ace on the field, and scored twice in extra time to draw, 2-2, and win 4-2 overall.

Dwight Yorke scored a goal in each half Wednesday as Manchester United beat Chelsea, 2-0, in an FA Cup quarterfinal replay. (AP, Reuters)

## Virenque Is Back, and the Fans Love It

By Samuel Abt

International Herald Tribune

**FIRMING, France** — The woman at the start of the Paris-Nice race wore the red and yellow colors of the Tour de France and carried a large sign that read "Richard Virenque, we love you. The Tour de France isn't the same without you."

Perhaps Virenque noticed the sign as he rode to the ramp of the opening time trial Sunday and perhaps he didn't. He did not acknowledge it, however, keeping his eyes straight ahead, trying to remain focused, concentrating on his work, not his reputation. He rode the 9 kilometers (5.5 miles) from the Paris suburb of Boulogne-Billancourt to the posh Avenue Foch off the Arc de Triomphe just as seriously but said later that he had been heartened by the many fans cheering for him along the way.

The bad boy of French bicycle racing is back. Although Virenque may live in Switzerland and ride for an Italian team, he remains the darling of French fans, especially squealing teenage girls.

As Paris-Nice completed the fifth of its eight days on Thursday, in this sunny town in the southeast, it is clear that much of the public is on his side. When he is introduced each morning in a different town, he is loudly cheered; when he crosses the finish line each evening, adolescents rush to get his autograph.

It's very pleasing to see that I still

have fan support," he said Wednesday at a press conference that his Politi team called. "The fans never let me down, not even when things were going badly."

He seemed anxious during the half-hour meeting with two dozen reporters, glancing often to his right side, where his director, Gianluigi Stanga, was sitting. Virenque gave the impression that he did not want to say anything amiss. At the start, he made it clear that he would not discuss the past.

This is his first race on native soil since the season started last month and only his second since he and the rest of the Festina team he led were expelled from the last Tour de France on charges of systematic use of illegal performance-enhancing drugs.

The 29-year-old Virenque has never admitted this, unlike six other members of the nine-man Tour team. The Swiss riders who confessed were banned from the sport for seven months and the French riders for six months. One other rider retired, a second voluntarily accepted a six-month ban without admitting anything — leaving only Virenque to continue insisting that he has never failed a drug test.

As has been pointed out many times, that is not the same thing as denying the accusations made by his former team coach, doctor and personal masseur and confidant. Virenque is still under official investigation and faces legal action when the inquiry into the Festina affair is

completed. No matter, all is forgiven by a great part of the public.

"Everything is going well," he said. "I'm happy. I'm feeling familiar sensations now that I'm racing again. All's well." His familiar cockiness was gone, replaced by a slightly hunted look.

Virenque discussed his program for the season, which is weighted with races in Italy, including the Giro d'Italia, where, he said, he will ride to support Politi's other top climber, Ivan Gotti, who won the Giro two years ago. "It's going to be the toughest tour I've ever ridden," Virenque said of the mountains in Italy.

A few weeks later he plans to lead his team in the Tour de France, where he was the king of the mountains from 1994 through 1997 and which he has often called his main reason for living. That second definition was delivered the day he was expelled from the Tour.

"The Giro will be difficult," he said Wednesday. "The Tour will be different. I'll ride it with my usual ambitions, hoping to do my best."

He has been discreet in Paris-Nice, showing himself only twice on attempted breakaways on the flat that the other riders quickly thwarted. But that was just professional reflex, not animosity.

As a rival said, asking that his name not be used: "Good luck to him. Whatever he did, you don't like to see a rider lose his job. Maybe he'll get away with it, after all."

## SCOREBOARD

### BASEBALL

#### EXHIBITION BASEBALL

**WEDNESDAY RESULTS**  
Boston (2) 7, Tampa Bay (1) 1  
Toronto (2) 3, Baltimore (1) 2  
Boston (2) 3, New York Yankees (1) 2  
Philadelphia (2) 4, Cleveland (1) 3  
Texas (2) 1, Minnesota (1) 0  
Pittsburgh (2) 4, Chicago (1) 3  
Kansas City (2) 4, Los Angeles (1) 3  
New York Yankees (2) 4, Pittsburgh (1) 3  
Chicago (2) 13, Florida (1) 6  
Florida (2) 3, Montreal (1) 5  
Houston (2) 10, Atlanta (1) 7  
St. Louis (2) 5, New York Mets (1) 2  
Philadelphia (2) 15, Oakland (1) 2  
Chicago White Sox (2) 7, Colorado (1) 5  
Seattle (2) 4, Milwaukee (1) 2  
San Francisco (2) 4, Anaheim (1) 3  
Chicago Cubs (2) 15, San Diego (1) 3

### NAT'L INVITATION TOURNEY

**FIRST ROUND**  
Xavier 64, Toledo 64  
Butler 53, Hofstra 42  
Clemson 77, Georgia 57  
Old Dominion 75, South Hall 56  
Wake Forest 73, Alabama 57  
Florida State 67, Georgetown 67  
North Carolina State 72, Providence 66  
Butler 51, Bradley 50  
Marquette 65, UNLV 55  
Cincinnati 65, Georgetown 61  
Cleveland State 69, Mississippi 55  
Temple 69, Kansas State 71  
Wyoming 67, Southern California 77  
Florida State 67, Fresno State 64  
California 73, Fresno State 71  
Oregon 67, Georgia Tech 64

### BASKETBALL

#### NBA STANDINGS

**EASTERN CONFERENCE**  
**ATLANTIC DIVISION**  
W L Pct GB  
Boston 14 6 .700 1/2  
Philadelphia 11 8 .579 3  
New York 10 9 .526 3 1/2  
Washington 9 10 .474 4 1/2  
Orlando 8 11 .421 5 1/2  
New Jersey 7 12 .368 6 1/2  
New York 2 15 .118 10 1/2

#### PACIFIC DIVISION

Portland 15 6 .714 1/2  
L.A. Lakers 15 6 .714 1/2  
Phoenix 10 9 .526 3  
Seattle 9 10 .474 3 1/2  
Sacramento 9 11 .450 4  
Golden State 8 12 .400 5  
L.A. Clippers 4 15 .211 10 1/2

#### CENTRAL DIVISION

Charlotte 14 10 .583 1/2  
Philadelphia 14 10 .583 1/2  
C. Phils 7-17 13-18, Miami 11-27 1/2  
Pittsburgh 10-26 3-4, 25, Detroit 6-9 5-4  
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SPORTS

# Lakers Send Clippers To 17th Straight Loss

## Defeat Ties Record for Worst Season Opening

By Lonnie White  
Los Angeles Times Service

INGLEWOOD, California — After falling short of the mark five seasons ago, the Los Angeles Clippers finally earned a spot in the NBA record book for consecutive losses to begin a season.

Although the Los Angeles Lakers did their best to spoil the moment by playing down to the level of their crosstown rivals, it was not enough to prevent the Clippers from losing their 17th consecutive game, 94-75, on Wednesday. It was the ninth straight victory for the Lakers.

The Clippers, who lost 16 in a row to open the 1994-95 season, are tied with Miami for the league record, set in 1988-89, the Heat's first season.

If there ever was a game for the Clippers to win, their final meeting against the Lakers this season was the one. Not only did they catch the Lakers short-handed and playing their most lethargic game since Kurt Rambis took over as coach, eight games ago, but they also held a double-digit lead for the first time this year.

"We stayed with them for three quarters and then we fell apart," said Maurice Taylor, a Clipper forward. "It really doesn't anger me. It just disappoints me. We haven't been able to play the kind of basketball we know we are able to play."

If Shaquille O'Neal had not shown up, Taylor may have been celebrating. O'Neal played 34 minutes and had a game-high 31 points and 13 rebounds. Playing with a limited roster because

of the trade earlier in the day of Eddie Jones and Elden Campbell to the Charlotte Hornets for Glen Rice and J.R. Armstrong (who was waived after the trade), the Lakers won the hard way.

Dennis Rodman played only seven minutes before being thrown out in the third quarter. Rodman, who had six rebounds, was not in the game at the time and had his warm-up top on, but said one too many words to an official, who had already called a technical on Rodman in the first half.

The play of the Lakers was so ugly that Forum fans sarcastically chanted "Eddie, Eddie, Eddie" in tribute to Jones.

The Clippers, who held their biggest lead of the season at 29-18 in the second quarter, led, 52-47, midway in the third quarter before the Lakers woke up.

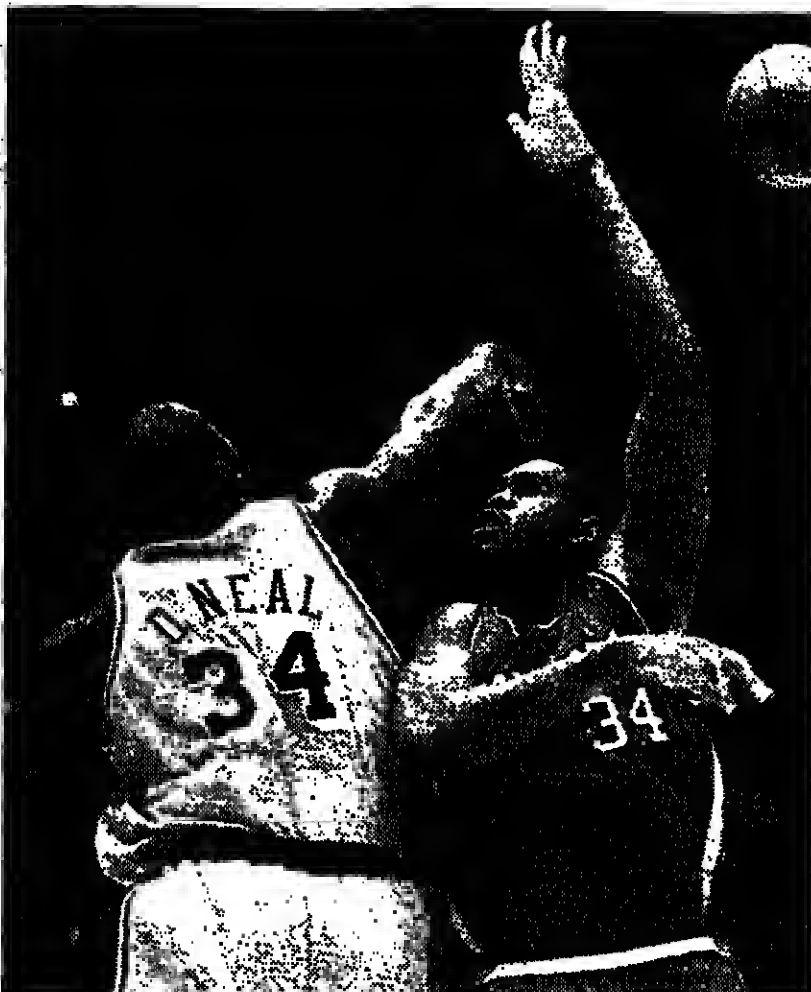
Triggered by a lucky three-point basket by Robert Horry, who was attempting a lob pass to O'Neal under the basket, the Lakers outscored the Clippers, 47-25, over the game's final 18 minutes.

In other games, *The Associated Press* reported:

**TORONTO 85, Hornets 70** In Philadelphia, Allen Iverson had 25 points, seven assists and five steals as the 76ers beat a Charlotte team that dressed only nine players because of the trade with the Lakers.

**WISCONSIN 87, Pistons 87** Juwan Howard had 22 points and 11 rebounds as Washington beat visiting Detroit.

**INDIANAPOLIS 83, Nets 82** In Indianapolis, Rik Smits led Indiana with 20 points and New Jersey scored eight minutes in the second half without a field goal as the Nets suffered their fifth straight loss and 11th setback in 12 games.



Shaquille O'Neal, the Los Angeles Lakers' center, swatting away a shot by Michael Olowokandi, the rookie center for the Los Angeles Clippers.

**HEAT 85, Hawks 78** Tim Hardaway scored six of his 21 points during a decisive 16-2 run at the beginning of the third quarter to carry Miami. The Heat gained their eighth consecutive victory at home.

**Bucks 101, Sonics 97** In Milwaukee, Glenn Robinson scored 22 points as the Bucks gave their coach, George Karl, a victory over his former team.

**Suns 81, Magic 79** David Robinson hit two free throws in the final 18.5 seconds — his only points of the second half, and the only points by anyone in the final 4:47 — to lift San Antonio to victory over visiting Orlando.

**Cavaliers 86, Bulls 73** Shawn Kemp scored 18 points and Cedric Henderson got all 14 of his points in the second half as Cleveland won in Phoenix.

# It's Madness to Believe NCAA Players Graduate

By Ira Berkow  
New York Times Service

NEW YORK — March Madness is a catchy, alliterative phrase designed to draw attention — preferably pecuniary — to the National Collegiate Athletic Association's Division I men's basketball tournament, which began Thursday at eight sites around the United States.

I don't recall it being called March Madness until a handful of years ago, when it became a big-time attraction on television, having swelled from a dozen or so teams to 64, a tournament big enough to choke a horse.

Part of the madness — which is actually pretty sane for the TV network, the organizers and the schools, since

## VANTAGE POINT

they stand to make millions of dollars from it — is demonstrated by the TV cameras focusing on some of the brilliant students in the crowd who look as if they've had buckets of paint, in two and three colors, spilled on their heads. Added madness is the brass bands in the arena playing deafeningly loud.

And then there is the basketball itself, invariably a wonderful show. The Cinderella teams, the buzzer-beaters, the Clash of Titans, etc. But for all this, there is a level of suspended disbelief that is necessary to these nutty pleasures. One would like to believe, for instance, that all of these basketball players are also true students, struggling with their calculus.

The sad fact is that college basketball players have lower graduation rates than most students. And the black basketball players fare worse than the white basketball players.

In the latest annual survey by the NCAA, compiled in November, male basketball players continued to graduate at rates far lower than other students. "For the eighth consecutive year," wrote the Chronicle of Higher Education, "the rate of Division I male basketball players was far below the rate for all male students at those institutions, which in 1997 was 53 percent."

The association found that only 41 percent of men's basketball players who entered college in 1991 had graduated

within six years, down from 45 percent the year before and the second-poorest showing since the association began its graduation-rate survey.

White male basketball players graduated at a rate of 47 percent — their lowest total in the NCAA graduation-rate survey — compared with the overall graduation rate for white male students of 56 percent. The graduation rate of black male players fell to 37 percent in 1997 from 39 percent in 1996.

Emergence, a black-oriented magazine, has a "Bottom 50" listing that names the 50 worst Division I schools in regard to graduation rates for both blacks and whites. Several of this year's glorious March Madness schools are on it, including James Madison, Ohio State, Syracuse and Cincinnati, all of whom have graduated no black players for at least five years. And while the first three of these schools graduated 67 percent of their white players, Cincinnati was an equal-opportunity school in having graduated no white players, either.

The statistics aren't good, and it's a dilemma," said Kenneth (Buzz) Shaw, chancellor of Syracuse University and chairman of an NCAA group that is studying basketball issues at Division I colleges. "We're working on it and hope to help improve it."

Meanwhile, here comes March Madness, that annual assault on the senses, wherein for some three weeks we gaily suspend disbelief and then return to sober reality.

## Minnesota Suspends 4 Players

University of Minnesota officials declared four basketball players ineligible to play, hours before the school's first-round game against Gonzaga College in the NCAA tournament, saying there was evidence to support allegations of academic fraud against them. The Associated Press reported from Minneapolis.

The four players declared ineligible for the game were Kevin Clark, Miles Tarver, Antoine Broxie and Jason Stanford. Tarver and Clark are starters.

A former university employee said she wrote papers, helped with take-home exams and did other course work for players from 1993 to 1998.

# Oklahoma State Upends Syracuse as Tourney Opens

Compiled by Our Staff From Dispatches

INDIANAPOLIS — Desmond Mason scored 28 points and Adrian Peterson added 21 to lead ninth-seeded Oklahoma State to a 69-61 victory over eighth-seeded Syracuse in the first round of the NCAA basketball tournament Thursday.

Peterson, who matched his career-high of five 3-pointers, hit his first two shots behind the arc to put his team ahead, 6-0, in the South Regional con-

test. Syracuse, hurt by cold shooting from the free-throw line late in the game, caught the Cowboys only once at 57-57. Joe Adkins then hit a 3-pointer to put the Cowboys (27-14) ahead to stay.

In the second round on Saturday, Oklahoma State will play the winner of No. 1 Auburn vs. No. 16 Winthrop.

Eban Thomas, who led the Orangemen with 21 points, missed three-of-five attempts from the foul line in the final

3:32. Oklahoma State, meanwhile, made six crucial foul shots. Glendon Alexander and Mason hit both ends of a bonus opportunity in the final minute.

Syracuse (21-12) started cold, hitting just five of its first 19 attempts from the field. The Orangemen were able to stay in the game with the help of 12 Oklahoma State turnovers in the first half and nailed 33-30 at the break.

Jason Hart scored 17 for Syracuse.

**Iowa 77, Alabama-Birmingham 64** Jess Settles scored 17 points and Iowa hit 10 of its first 12 3-point shots as the Hawkeyes beat Alabama-Birmingham in the first round of the NCAA tournament West Regional in Denver.

Iowa (19-9), the No. 5 seed, advances to play Saturday against the winner of the Siena-Arkansas game.

The victory extended, at least for one more game, the Iowa coaching career of Tom Davis, who has led the Hawkeyes to nine NCAA tournaments in 13 seasons. Davis was told last year that his contract would not be renewed after this season.

Alabama-Birmingham (20-12) never led, but the 12th-seeded Blazers made several runs in the second half behind the scoring of Fred Williams and DeWayne Brown. Williams finished with 26 points and 14 rebounds and Brown scored 16.

Back-to-back 3-pointers by Damon Cobb within a 27-second span got Alabama-Birmingham within 54-53 with 7:44 left.

**Maryland 82, Valparaiso 60** Maryland, among the favorites to reach the Final Four, defeated Valparaiso in Orlando, Florida, in a first-round South Regional game.

The Terrapins got 17 points from the guard Steve Francis. They advanced to face the winner of a later game Thursday between Creighton and Louisville.

(AP, Bloomberg)

# DiMaggio Is Eulogized in Private Ceremony

The Associated Press

SAN FRANCISCO — Joe DiMaggio, the New York Yankee great whose baseball skills and marriage to Marilyn Monroe helped make him an American icon, was eulogized Thursday by his brother, Dominick, at Saint Peter & Paul Church in a private funeral mass.

Seven limousines pulled up to the church at about 10 A.M. under a sunny sky, bringing about 50 family members and friends to the service. Bud Selig, the U.S. baseball commissioner, was among the mourners. Six pallbearers, including DiMaggio's estranged son, Joseph Paul DiMaggio Jr., carried the brown casket covered with white

flowers into the church. The services lasted just over an hour. When DiMaggio's casket was carried outside to a waiting hearse, a crowd of about 200 onlookers applauded.

The church, whose twin steeples tower over the North Beach neighborhood in which DiMaggio spent most of his childhood, was closed to the public as the Reverend Armand Oliveri led the service for DiMaggio.

The 79-year-old priest, who had known DiMaggio since the two grew up together, said the service was a regular funeral Mass, including Psalm 23 as well as readings from both the Old and New Testaments.

The funeral procession was set to pass DiMaggio's former home on Beach Street on its way to Holy Cross Cemetery in nearby Colma.

Joe Jr., who had not talked with his dad in two years, was DiMaggio's only child. His mother was Dorothy Arnold, whom DiMaggio divorced in 1943. DiMaggio wed Monroe in 1954, and they divorced later that year.

Morris Engelberg, DiMaggio's close friend and attorney, said DiMaggio had wanted a private religious service and that his family was determined to follow his wishes. That meant excluding people such as the Yankees' owner, George Steinbrenner.

# 10 Years On, Princeton Gets Its Revenge on Georgetown

The Associated Press

Ten years after Princeton nearly shocked Georgetown in the NCAA tournament, the Tigers finally beat the Hoyas in postseason play. This time, it was no surprise.

Mason Rocca, a junior making his first career start, grabbed 18 rebounds

## THE NIT

and Brian Earl scored 18 points as Princeton beat Georgetown, 54-47, Wednesday night in the opening round of the National Invitational Tournament.

"I knew I was starting 30 seconds before the game," said Rocca, whose rebounding total was the most by a Princeton player since Bill Bradley beat 21 against Columbia in 1965. "They're

so tall, you have to keep battling in there and you always have to make sure you have a body on someone."

In 1989, 16th-seeded Princeton almost pulled off the biggest upset in NCAA tournament history before losing to top-seeded Georgetown by one point. This time, the Tigers (21-7) were favored over the visiting Hoyas (15-16), who finished with their first losing record since 1973.

All five Princeton starters played the entire game, while Georgetown substituted freely. Princeton's coach, Bill Carmody, said the scheduled television time-outs helped keep his team fresh.

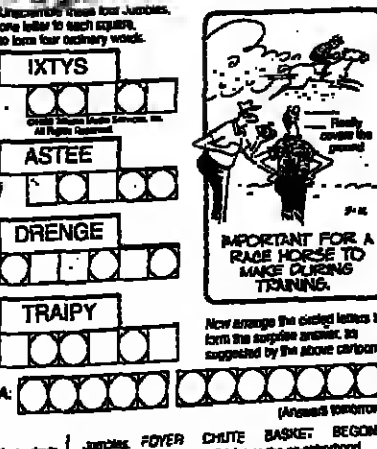
"I didn't go in thinking about playing the starters all game," Carmody said. "But you get 2½-minute breaks every four minutes, so nobody should really get tired."

## DENNIS THE MENACE



"NEVER ASK MR. NELSON A STUPID QUESTION WHEN HE'S INTERVIEWING HIS GARDEN!"

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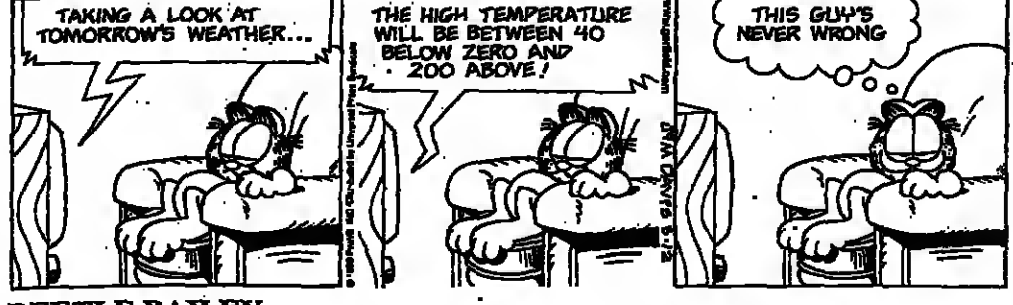


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## PEANUTS



## GARFIELD



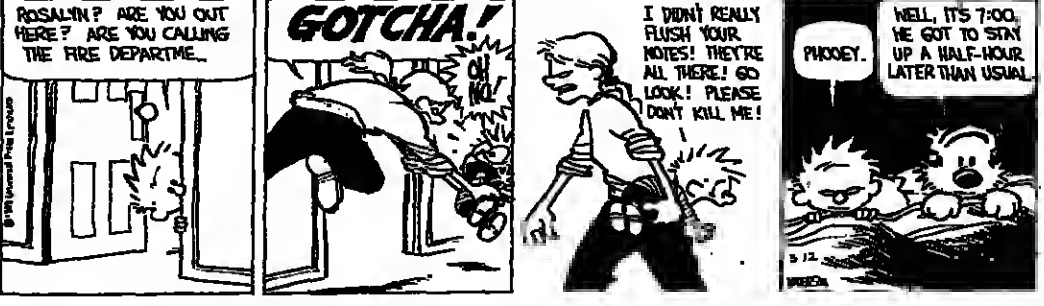
## BEETLE BAILEY



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## POSTCARD

## Cook Your Wine, Sir?

By William Grimes  
New York Times Service

**NEW YORK** — A new question is creeping into wine service in New York: How do you want that cooked?

For many years, Americans have confounded the rest of the world by drinking their white wines too cold and their red wines too warm. Sommeliers no longer hesitate when diners ask that a luscious Corton-Charlemagne be plunged into an ice bucket. They just do it. It's easy.

Red wine poses a different problem since it often arrives at the table with a slight chill. If the diners want their wine the temperature of a blood transfusion, and fast, the sommelier must resort to wiles, and the wildest of all, it turns out, is the microwave oven.

Sometimes it's the customer, sometimes it's the hard-pressed sommelier who makes the decision to go out clear. But it happens.

"There is no way any sommelier is going to admit to doing it," said Dan Perlman, wine director at Veritas. "They'll say, 'I've heard of it.' Like I just did. I'm in the clear, though, because we don't have a microwave."

The practice is by no means widespread, or even widely known, but it is something that happens at even the top restaurants. Alexis Gantier, wine director at City Wine and Cigar, reacted with stunned silence when informed about the microwave trick. Then he let out a long, shuddering sigh and moaned, "Oh my God."

Like other members of the "wine is a living thing" school, Gantier expressed deep fear of this new technological breakthrough. Others showed a native American willingness to at least experiment.

"It makes sense," said Ralph Hersom, wine director at Le Cirque 2000. "I don't see that it would harm a wine, but I'd recommend doing it with a younger wine."

Some fessed up, some expressing shame, others not. "I did it once," said Eric Zillier, wine director at the Hudson River Club. "It was an '85 Burgundy from Verget, one of my favorites, but I made the customer, who was very insistent, swear he would never tell anyone I did it."

So what, if anything, is the problem? Christian Butzke, an enologist at the University of California at Davis, said: "The microwaves are heating the water, which is the main constituent of wine. If you do that for a very brief period — 10 seconds maximum — no other chemical reactions are going to take place, and nothing will be destroyed."

The same sommeliers who shrink before the microwave do not mind employing all sorts of oenotechnological tricks, like running a decanter under warm water before pouring the wine in, replacing glasses on the table with ones that have just come out of the dishwasher, or even putting the bottle in the dishwasher.

Perlman of Veritas has a lot of stories. There's the customer who wanted the Champagne decanted, to get rid of those annoying bubbles, and one who wanted to add fruit juice to his Mouton-Rothschild to make a sangria. Perlman suggested a more modest red. The customer said no. He wanted a good sangria.

"You get a sick feeling in the pit of your stomach, but you do these things," Perlman said. "After all, the customer is paying for the bottle."

## An Oxford Historian Who Takes It to the People

By Alan Riding  
New York Times Service

**WINDSOR, England** — Niall Ferguson likes to joke that he became a historian by default. "At Oxford, I discovered that I couldn't be a politician, I wouldn't make a terribly good journalist, I was a very poor double-bass player and I was an absolutely appalling actor," he said. "I came to realize that what made me happy was to sit in a library reading about dead people."

His choice of A.J.P. Taylor as a role model, however, suggests he was not exactly yearning for seclusion. "Alan Taylor was the first historian I had ever heard of as a schoolboy," he recalled, "and I had heard of him because his books were commercially successful and he did television, newspapers and radio." At the age of 20, then, even before graduating from Oxford, Ferguson had understood it was possible to be both a respected academic and something of a public figure.

What perhaps the soft-spoken Glaswegian did not imagine was that he would achieve this double-billing — "The Intelligent Populist," as The Spectator magazine has called him — so early in his career.

Now, just weeks before his 35th birthday, he is a Fellow of Jesus College, Oxford, and author of an appropriately learned tome, "Paper and Iron: Hamburg, Business and German Politics in the Era of Inflation, 1897-1927." But he is also the most talked-about British historian of his generation, thanks to frequent newspaper articles and interviews on television and radio, along with two new books aimed at nonacademic readers.

"The World's Banker: The History of the House of Rothschild," published as a single 1,309-page book in Britain, has been split into two volumes in the United States, with the first 608-page volume, "The House of Rothschild: Money's Prophets," issued in December. Ferguson's other new book, "The City of War," about World War I, which appeared in Britain in November, will be published in the United States next month.

Eager to have the books read, Ferguson chose to publish them with commercial houses, which helped assure him a large number of reviews — almost all excellent — as well as a fresh flurry of press interviews. The books in themselves also stirred debate since both present what historians would consider discoveries (for example, that Nathan Rothschild was almost bankrupted



Niall Ferguson outside Windsor Castle, in front of a statue of Queen Victoria.

by Napoleon's defeat at Waterloo or that Scottish soldiers in World War I routinely killed their German prisoners).

For Ferguson, though, the main difference between, say, his German inflation book and "The City of War" lies in their presentation. "Cambridge University Press will produce a book that is intimidating to read, the print is small, the footnotes are on the page," he explained. "Penguin will produce a book which has pictures, good charts, looks nice, and then they will market it. But if you look at the texts of the two books, it's not that big a shift."

Ferguson knows he is risking the disapproval of his academic peers when he reaches out to the general public. "I think it is a minus in the eyes of the majority of academics, who are deeply suspicious of 'media dons' as a phenomenon," he said.

Yet he insists that he is continuing an old tradition. "The idea of the academic as somebody who is dedicated purely to scholarly activities, who will address only an inner priesthood who speak the higher jargon, is a very modern idea," he said. "I think that, for a modern historian, engagement with the media is terribly good for you."

In fact, by his own admission, Ferguson

specialized in economic history and German history because he felt expertise in these areas might serve him well outside the academic world. But he also says that knowledge of history can enrich debates about contemporary affairs, whether the topic happens to be post-Cold War Europe, the conflict in Bosnia Herzegovina or even whether the stock market bubble is about to burst.

Since the late 1980s, he has embraced journalism. "Zola said that journalism is the anvil on which everyone should bash their ego into shape," he noted, adding that aggressive editing of his early work taught him to write more clearly. And he answers his academic critics by challenging them to expound and defend their views in public. "It is much harder to convince television viewers than your students," he said.

Ferguson's political foes call him a right-wing historian or, more generously, an intellectual conservative, although he describes himself as a liberal fundamentalist. Either way, he seems to be a product of Britain under Thatcherism: He believes strongly in the market and in individualism and is opposed to government intervention in the economy. He has spoken out against Britain's joining the new European cur-

rency, the euro, although he claims to be "a very European person culturally."

And he insists that he is skeptical about ideologies. "I think being a historian is a terribly good cure for ideological rigor," he said with a laugh. "because it's very hard to see any ideology withstand the experience of 200 years of modern history."

Thus, if Ferguson had to name an underlying belief, it might be old-fashioned research, like the four years he spent working on his doctorate on German inflation. His massive history of the Rothschilds, which covers the period from 1780 to 1918, was the result of five years' work financed partly by a research fellowship from the British branch of the Rothschilds, who also arranged for him to become the first outsider to gain access to the family's archives.

"The City of War," originally inspired by his grandfather's stint on the Western Front, also involved extensive research, which led him to go against the conventional historical tide and conclude that World War I could have been averted. This prompted some critics to tag the book "revisionist."

This week, he was in Windsor Castle working in the Royal Archives in preparation for his next book, a history of the Saxe-Coburg family, which supplied much of the 19th century's European royalty (including Prince Albert, Queen Victoria's consort). On a year's sabbatical from Oxford, Ferguson is also spending time at the Bank of England working on a long-term study of the bank market.

He also has been working on "Virtual History: Alternatives and Counterfactuals," a collection of essays about the "what ifs" of history. "Virtual history" stands at the center of his approach to the past. Specifically, by examining the uncertainties, dilemmas and options of history — for instance, "World War II have occurred without Hitler?" — he challenges the inevitability of history and the supremacy of ideologies.

"I began to realize we have a fundamental problem with historical philosophy," he said. "Some people just don't think the past could be any different. And that leads to the belief that history repeats itself. I think there's nothing more dangerous than people who exercise the power of prophecy on the basis of a deterministic theory of history. As Alan Taylor said, all we can learn from history is how to make new mistakes."

## PEOPLE

**THE** rapper ODB has been jailed after pleading not guilty to a charge of violating a new California law that prohibits violent felons from wearing body armor. The singer for the group Wu-Tang Clan declared himself unable to post \$115,000 bail Wednesday. Jones was pulled over for driving erratically in Hollywood on Feb. 16, and police arrested him after discovering he was wearing a bulletproof vest — a violation in light of his previous arrests. At the Los Angeles hearing, a prosecutor suggested that ODB was the head of a street gang called the Wu-Tang Clan. "I think that is a musical group," Judge Kevin Brown said. "I have three children. That's why I know that." Jones was convicted of second-degree assault in 1993, and is awaiting trial on other charges.

The former Spice Girl Geri Halliwell has sold her autobiography for about \$1 million (\$1.6 million). The Daily Telegraph said Thursday. Quoting her literary agent, the paper said that Halliwell, who quit the chart-topping girl band in

June, had sold the British rights to Transworld for £500,000 to £550,000. The American rights were reported to have been sold for a slightly lower figure.

The media mogul Ted Turner and

his wife, Jane Fonda, were fined \$600 for landing in Argentina without passports, an immigration official said Wednesday. Turner and Fonda simply forgot their travel documents when they left the United States, an immigration spokesman said in the southwestern city

of Bariloche. He said that the couple arrived aboard a private jet and that Argentine authorities allowed them to enter the country through an "exceptional authorization" clause under current immigration law.

The Italian architect Renzo Piano has been picked to design an addition to the Art Institute of Chicago to be completed by 2005. After an 18-month worldwide search, the institute announced late Tuesday that Piano, who last year won the Pritzker Prize, was its choice to develop a plan for additional galleries and a new garden.

Cher's ex-manager is suing her for unspecified damages, alleging that he had a deal to receive 15 percent of the profits of her hit album "Believe." Bill Sammeth said in a lawsuit filed in Los Angeles that he was fired as her manager without explanation just days before she sang the national anthem at the Super Bowl.



INSPIRATION — Richard Gere posing with a Tibetan nun in Dharamsala, India, on Thursday after a teaching session with the Dalai Lama.

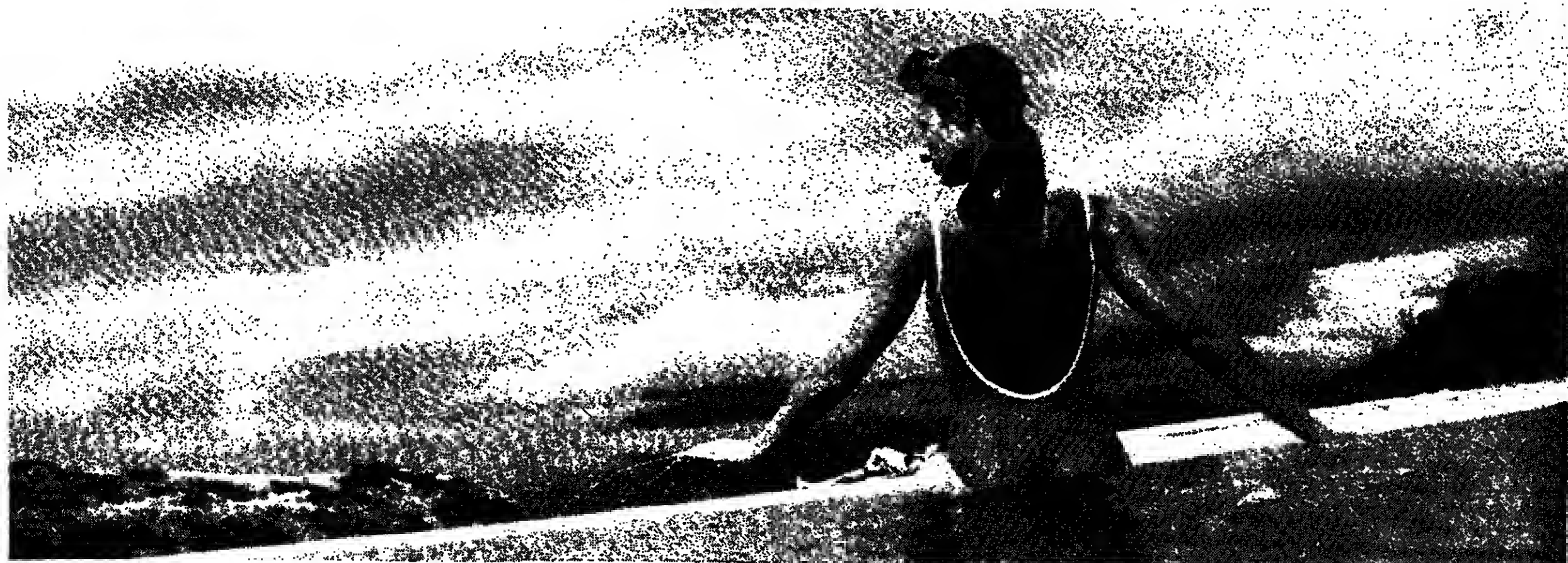
## Grant to Children's Book Author Is Replaced

New York Times Service

**WASHINGTON** — An American foundation has announced that it will provide money to replace a National Endowment for the Arts grant that was canceled when the endowment chairman learned that it was for a children's book written by a Mexican guerrilla leader.

J. Patrick Lannan Jr., president of the J. Patrick Lannan Foundation, said it would give \$15,000 to subsidize the printing of an English translation of a Spanish book, "The Story of Color," by the rebel leader Subcomandante Marcos. The chairman of the arts endowment, William Ivey, canceled the grant Tuesday when told of it by a reporter. Ivey said he was worried that some of the endowment money might find its way to the Zapatista guerrillas in Chiapas.

In 1989, the foundation, named for a late Chicago executive, gave \$35,000 to the Washington Project for the Arts for a show of homoerotic photographs by Robert Mapplethorpe that the Corcoran Museum of Art had canceled. The Corcoran show also had received some money from the endowment. The book is a folk tale about Mexican gods who fill a gray world with brilliant color.



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